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NOVEMBER 1975

WHEAT Situation

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TABLE 1--WHEAT: MARKETING YEAR SUPPLY, DISAPPEARANCE, ACREAGE AND PRICES, 1966-70 AVERAGE AND ANNUAL 1970-75

YEAR BEGINNING JULY 1	SUPPLY: BEGINNING STOCKS	SUPPLY: PRODUCTION	SUPPLY: IMPORTS 1/	SUPPLY: TOTAL	DISAPPEARANCE: DOMESTIC USE: FOOD 2/	DOMESTIC USE: SEED	DOMESTIC USE: FEED 3/	DOMESTIC USE: TOTAL	EXPORTS 1/	TOTAL DISAPPEARANCE	ENDING STOCKS JUNE 30: PRIVATELY HELD	ENDING STOCKS: GOVT. 4/	ENDING STOCKS: TOTAL
	MILLION BUSHELS												
1966-70 (AVG.)	640	1,433	1	2,074	516	66	134	716	679	1,395	187	492	679
1970/71	885	1,351	1	2,237	519	62	187	768	738	1,506	162	569	731
1971/72	731	1,618	1	2,350	526	63	266	855	632	1,487	149	714	863
1972/73	863	1,545	1	2,409	528	67	190	785	1,186	1,971	227	211	438
1973/74	438 5/	1,705	4	2,147	528	84	140	752	1,148	1,900	228	19	247
1974/75 6/	247	1,793	2	2,042	525	87	71	683	1,039	1,722	318	2	320
1975/76 7/	320	2,138	1	2,459	530	87	102-77	719-694	1,300-1,400	2,019-2,094	---	---	440-365

YEAR BEGINNING JULY 1	ACREAGE: ALLOTMENT	ACREAGE: SET-ASIDE	ACREAGE: PLANTED	ACREAGE: HARVESTED	YIELD PER HARVESTED ACRE	SEASONAL PRICES RECIEVED: PARTICIPATING FARMERS	SEASONAL PRICES RECIEVED: NON-PARTICIPATING FARMERS 8/	GOVT. PRICE SUPPORT OPERATIONS: NATIONAL AVG. LOAN RATE	GOVT. PRICE SUPPORT OPERATIONS: SUPPORT PAYMENT 9/
	MILLION ACRES				BUSHELS	DOLLARS PER BUSHEL			
1966-70 (AVG.)	55	12	57	51	28	1.97	1.37	1.25	.60
1970/71	46	16	49	44	31	2.08	1.33	1.25	.75
1971/72	20	14	54	48	34	1.88	1.34	1.25	.54
1972/73	20	20	55	47	33	2.23	1.76	1.25	.47
1973/74	19	7	59	54	32	4.16	3.95	1.25	.21
1974/75 6/	55	---	71	65	27	4.04	4.04	1.37	---
1975/76 6/	53	---	74	69	31	---	---	1.37	---

1/ IMPORTS AND EXPORTS INCLUDE FLOUR AND OTHER PRODUCTS EXPRESSED IN WHEAT EQUIVALENTS. 2/ USED FOR FOOD IN THE UNITED STATES, U.S. TERRITORIES, AND BY THE MILITARY AT HOME AND ABROAD. 3/ RESIDUAL; APPROXIMATES FEED USE AND INCLUDES NEGLIGIBLE QUANTITIES USED FOR DISTILLED SPIRITS AND BEER. 4/ UNDER LOAN TO OR OWNED BY CCC. 5/ EXCLUDES AN ABNORMALLY LARGE VOLUME OF GRAIN IN TRANSIT. 6/ PRELIMINARY. 7/ FORECAST. 8/ SEASON AVERAGE PRICE RECEIVED BY FARMERS AS REPORTED BY THE STATISTICAL REPORTING SERVICE. 9/ DOES NOT INCLUDE SET-ASIDE OR DISASTER PAYMENTS. DOMESTIC CERTIFICATE PAYMENTS PRIOR TO 1974/75; BEGINNING IN 1974/75, GUARANTEED PAYMENTS UNDER TARGET PRICE PROGRAM WHEN APPLICABLE.

THE WHEAT SITUATION

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SUMMARY

The wheat outlook reflects a record crop, a prospective record export demand, and the fourth consecutive year of strong wheat prices.

The largest seeded acreage since the early 1950's and good yields pushed the 1975 wheat crop to an all-time high of over 2.1 billion bushels. On the strength of the crop, total supplies will soar to nearly 2.5 billion bushels, largest since the "huge surpluses" of the early 1960's.

Wheat disappearance during July-September 1975 was the second heaviest for that period on record. Although wheat feeding continued to lag, reflecting the strong wheat prices relative to competing feed grains and the sluggish feed demand, mill grind of wheat showed a surprising 10-percent gain over last year's level. The July-September quarter ended with a rush of exports, pushing the total to almost 350 million bushels, second heaviest for the period.

Total disappearance of wheat for 1975/76 is now expected to be somewhat stronger than earlier envisioned. Wheat feeding for the year shows some pickup from last year's level, and may range somewhere between 75-100 million bushels. Food use is off to a strong start, but even if grind should return to a more normal pace for the October-June period, it appears that usage for the entire year would climb modestly to 530 million bushels.

Weekly export movements have been exceptionally strong. Outstanding sales as of late October totaled only around 360 million bushels, the smallest for this date since the export monitoring system was started in 1973. Many countries appear to be in no hurry to buy but instead are choosing to make modest purchases while watching market developments. The deterioration in foreign wheat crop prospects, coupled with the lowest world wheat stocks in years, point to another possible record wheat export year for the United States. Based on latest estimates of foreign demand, U.S. exports could range from 1.3-1.4 billion bushels.

If disappearance reaches the predicted levels, the buildup in wheat stocks during the 1975/76 crop year could be relatively small, adding only 15 to 30 percent to this summer's low level of 320 million bushels.

Wheat prices rose sharply in July and August and have since remained fairly firm. Farm prices moved from a June low of $2.92 per bushel to $4.11

in September but declined to $4.02 in mid-October. By early November prices at the farm had slipped below $4 per bu. Price movements for the remainder of the year will depend principally on the level of export demand, the pace of shipments, and prospects for the 1976 wheat crop. If exports are strong and concern heightens about 1976 crop prospects, wheat prices could strengthen, possibly enough to push the average for the season to near the $4 per bushel level of the past 2 years. However, should export demand weaken some and world crop prospects improve, wheat prices could show some weakness, putting the season average somewhere between $3.50-$3.75 per bushel.

The 1976/77 season will mark the third consecutive year with no planting restrictions. Wheat prices to producers were strong during much of the fall planting season, although returns to wheat in some areas may not have been quite as favorable as they were during the fall of 1974. Dry weather held up seedings in some areas and early stands were spotty in many locales. Winter wheat seedings were generally completed by early November. The winter wheat areas has seen a 30-percent increase in acreage since 1972, thus any increase in 1976 area would likely be small.

Hard Red Winter (HRW). The 1975/76 HRW supply is buoyed by a record crop, which was somewhat below average in quality. Domestic use may fall below last year's level. Exports may rise to an all-time high, erasing the prospects for a large buildup in stocks this year.

Hard Red Spring (HRS). Weather has lowered the average protein content of this year's large HRS crop. This fact, along with lower HRW protein, has led to substantial protein premiums for HRS. Mill grind continues heavy, although down from the exceptional levels in 1972/73 and 1973/74, when HRS replaced other classes. Another strong export year will likely limit any buildup in stocks.

Soft Red Winter (SRW). The bumper 1975 harvest has resulted in SRW prices below those of other classes. Domestic use appears to be holding up well and exports are moving at a record pace. Most of the record crop is expected to have moved into consumption by year's end.

Durum. The 1975 durum crop is over 50 percent larger than last year's weather-stricken harvest. Yet there does not appear to be a corresponding increase in disappearance in the making. Consequently, durum stocks by the summer of 1976 could be more than double this year's 21 million bushels. Durum prices in comparison to other classes, have weakened considerably in recent weeks.

White Wheat. Despite some weather adversities, white wheat producers harvested a record crop of 282 million bushels, 11 percent above a year ago. Domestic use slumped last year but early signs suggest some recovery in both food and feed use in 1975/76. The strong tone of this year's world import market would seem to indicate that exports could exceed last year's 200 million bushels, thus limiting any buildup in stocks.

THE CURRENT SITUATION

Farmers Wind Up Record Harvest

What does the tenth largest seeded wheat acreage and the third highest yield on record add up to? A record 1975 U.S. wheat crop of 2,138 million bushels, 19 percent above the previous peak set only last year.

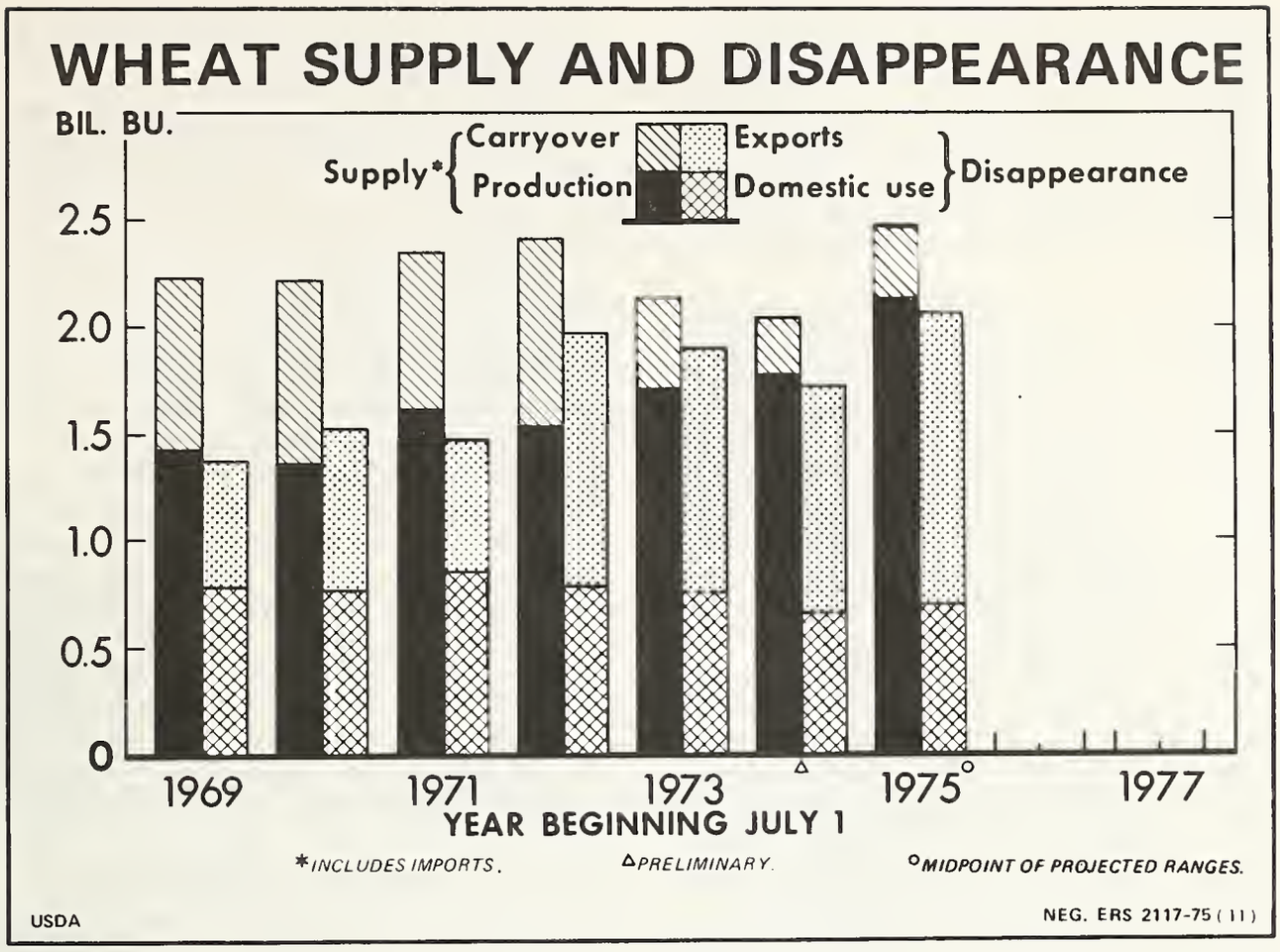
July 1 wheat stocks of 320 million bushels registered some recovery from the preceding summer's 26-year low. On the strength of the record crop, 1975/76 supplies rose to nearly 2.5 billion bushels, the largest since the "hugh surpluses" of the early 1960's. At that time, stocks accounted for a large part of the wheat supply, while in 1975/76 stocks make up less than 15 percent of the total.

Heavy First Quarter Disappearance

Usage during the July-September quarter at 585 million bushels was exceptionally heavy, although short of the record 1973/74 first quarter. Probably most surprising has been the surge in domestic mill grind to 144 million bushels, about 10 percent ahead of a year ago's pace. Is this the harbinger of a pickup in wheat food use or will the pace of grind drop later in the season?

The past 2 crop years have seen unusual fluctuations in mill grind because of inventory adjustments, sharp changes in wheat and flour prices, and general supply uncertainty associated with large foreign purchases of wheat. Higher wheat prices and interest rates have pushed up the cost of carrying wheat and flour inventories. Consequently, mills and flour users have shaved inventories, reducing their ability to meet any unexpected surge in demand. This has resulted in larger than normal quarterly variations in mill grind.

Part of the fluctuation in grind is due to the falloff in consumption of some types of bakery products, particularly when sugar, shortening, and cocoa prices soared. As prices of raw materials (sugar, vegetable oil, and flour) eased, promotional sales and discounts and lower prices became more common. Apparently consumers have responded to the economics of the marketplace and are buying more wheat-based products. Perhaps part of the increase



Item	July-September	
	1974	1975
	Million bushels	*Million bushels*
July 1 stocks	247	320
Production	1,793	2,138
Imports	1	1
Total supply	2,041	2,459
Exports	269	347
Food	132	144
Seed	31	31
Feed	59	63
Total disappearance	491	585
October 1 stocks	1,550	1,874

may also be an attempt on the part of the flour milling and consuming industries to rebuild flour inventories.

Wheat used as feed totaled 63 million bushels in July-September, somewhat ahead of last year's pace but still well below first quarter feeding during earlier heavy feeding years. Modest levels of wheat feeding occurred in a number of different areas. The large soft wheat crop in the East and the fact that in certain feed-deficit sections early season wheat prices were low relative to other grains supported early season wheat feeding. Some of the lower grade or off-grade wheats in the Pacific Northwest were probably fed. Some early crop wheat in the Central and Southern Plains and the Southwest may also have moved to feedlots. But as table 6 shows, in most areas there has been very little economic incentive to feed wheat since July.

As the record corn and large sorghum crops fill marketing channels, wheat feeding will fall off sharply for the remainder of the year. Whether feeding during the last 9 months of the crop year will exceed last year's 10-15 million bushels will depend upon the relationship between wheat and competing feed grains. Even if wheat is competitive as a feed in some areas, it would seem unlikely that feeding would total much over 100 million bushels for 1975/76.

The first quarter of the 1975/76 crop year ended with a rush of exports. Shipments based on weekly inspection data averaged 25 million bushels. This pushed the total exports for July-September to about 350 million bushels, a level exceeded only in 1973/74.

But what about the rest of the year? Forward sales as of October 1 totaled only around 360 million bushels, the smallest for this date since the export reporting system was initiated in 1973. Despite the fact that world wheat trade is forecast to be record large this year, many countries appear to

be in no hurry to buy but instead are choosing to make modest purchases while watching market developments. The United States has assured traditional customers that they will have access to our wheat supplies, which may have lessened the intensity of early season demand. The slowness in export sales also reflects the fact that aside from the USSR, world import demand for wheat is down.

U.S. export sales for the entire crop year are currently forecast in a range of 1.3-1.4 billion bushels. This would be a new record high and would account for around 50 percent of the world's projected 1975/76 trade in wheat. However, a number of factors are contributing to some uncertainty surrounding our export prospects. So far this year, the USSR has purchased slightly over 4 million tons (154 million bushels) of U.S. wheat. Their crop continued to deteriorate but it is still unknown how much additional wheat they will buy from the U.S. now that the moratorium has been lifted. Post-moratorium grain purchases by the USSR have been exclusively corn. The two major Southern Hemisphere exporters, Argentina and Australia, are predicting greater export availabilities than earlier thought. The level of world wheat prices in the months ahead could affect the demand for wheat in many of the smaller importing countries.

If demand for the remainder of the year lives up to expectations, the buildup in wheat stocks would be relatively modest. Up from the 320 million bushel level of July 1, 1975, stocks next summer would range from 365 to 440 million bushels.

Wheat Prices Stage Recovery

Early last summer the marketplace, facing a record 1975 wheat crop, matched against only a modest prospective 1975/76 demand, pushed new crop wheat quotes to below $3 per bushel. But the return of the USSR to our wheat market and some deterioration in world crop prospects elsewhere quickly added over a dollar a bushel. In mid-September and mid-October, wheat averaged over $4 at the farm. Average prices to farmers had slipped slightly, to below $4.00 per bushel in early November. Prices are expected to continue strong for the remainder of the year but the absolute level will depend on the following factors:

(1) The pace of export commitments. Although export shipments were heavy during July-September, forward sales are lagging. These sales must pick up sharply if the projected level is to be obtained. The longer these sales take to materialize, the less their influence on market prices, although they would still tend to moderate the normal late season price decline for old crop wheat.

(2) Farmers' marketing strategies. Farmers have influenced market prices through "orderly marketing." As prices rise to some "trigger" level, it appears that farmers' marketings step up quickly. But as prices drop off, growers retrench and await another rise.

(3) Many farmers, receiving good returns for the portion of their crop sold to date, may postpone further sales until the new tax year starts. This could tend to have a bearish impact on the market price after January 1.

(4) 1976 crop developments. After the 1975 crop experience, most market watchers will keep a close check on the developments of the 1976 world winter wheat crop. Some warning signs are already up in the United States and USSR as parts of the major winter wheat areas have been dry.

Wheat prices likely will continue to fluctuate in the area of $4 a bushel in the near term. If the pace of sales picks up appreciably and exports seem headed towards the top side of the range, prices could strengthen some. This would probably result in a season average to farmers not too much different from the $4 per bushel level of the past 2 years. However, if export sales drag, the early season lows combined with some weakness in prices for the second half of the crop year would push the season average closer to $3.50-$3.75 per bushel.

Wheat: Prices received by farmers

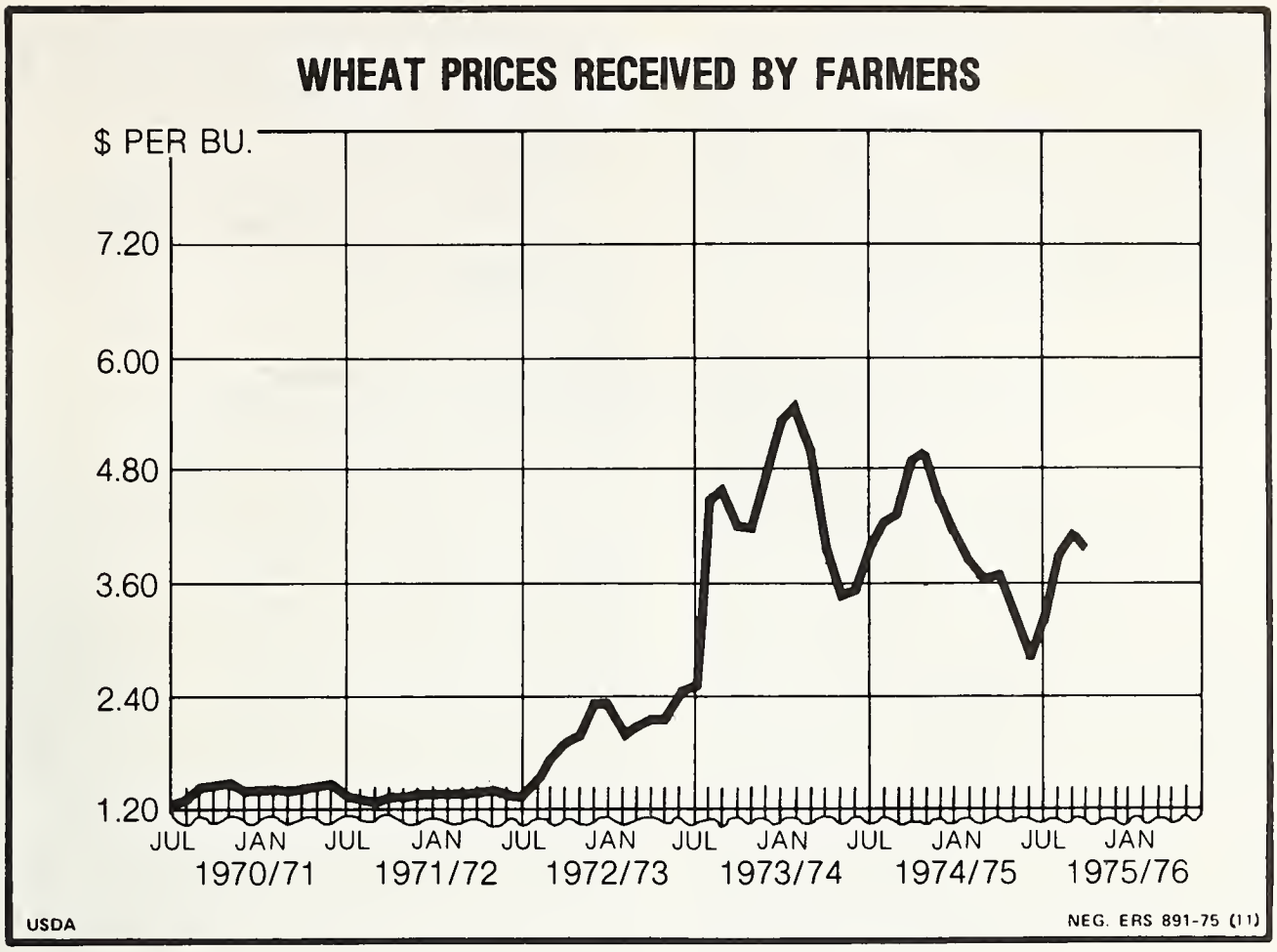
Month	1973	1974	1975
	Dol. per bu.	*Dol. per bu.*	*Dol. per bu.*
May	2.15	3.52	3.47
June	2.43	3.57	2.92
July	2.47	4.04	3.33
August	4.45	4.24	3.89
September	4.62	4.32	4.11
October	4.22	4.85	4.02

Loan Activity Sparse; Changes in Growers' Marketings

This season marks the fourth straight year that wheat growers' use of the loan program has dropped. Through September only 19 million bushels (less than 1 percent of the crop) had been placed under loan, compared with 29 million a year earlier. Kansas, Oklahoma, and Texas accounted for about 60 percent of 1975 placements, compared with only 41 percent a year ago. Part of this gain is attributed to their larger 1975 crops, but it also appears that the market situation and the uncertainty of markets for the large supply of yellow hard winter wheat led these growers to use the loan program more.[1] Four million bushels of placements had been redeemed by September 30.

There appears to be evidence that farmers' marketing strategies have changed markedly. The lack of use of the loan program is one sign. Changes in

[1]See discussion on HRW, page 8.



the loan program which allow participants to keep their grain under loan 12 months after placements permit more flexibility than previous maturity provisions. On the other hand, charging loan participants interest rates at the cost of money to CCC (currently 7.5 percent) as compared to much lower rates previously has lessened the program's attractiveness as an alternative source of credit.

Another important factor has been the market situation—relatively tight supplies and widely fluctuating prices. There has been much discussion devoted to the "orderly marketing" of grain. Some reports indicated that growers were shifting marketings from harvest, the period of usual seasonal price lows, to later in the year in an attempt to take advantage of market impacts from post-harvest foreign purchases. Also, growers are setting price objectives and are holding to them until the market triggers sales. A recent report by the Nebraska Department of Agriculture provides clues to changes in the farmers' marketing patterns.[2]

The winter wheat harvest in Nebraska usually begins around July 1 with the heaviest cutting falling in the first half of the month. Traditionally a fourth or more of the crop has been marketed in July. August and September are also big sales months, reflecting farmers' marketings after commercial storage privileges have been exhausted.

But patterns have decidedly changed in recent years. Less wheat is being sold in July and more during August-October. After October, sales resume a fairly normal pattern. It appears that growers are looking back at the previous year's experience and are selling on sharp price changes. Marketings in early 1974/75 were especially strung out.

Whether the 1975/76 sales pattern is similar to that of the 1960's or more like recent years is hard to determine at this time. Prices have strengthened from harvest lows much as they did in the 1972/73 and 1973/74 crop years. This suggests that Nebraska farmers may have sold moderate quantities at harvest and then made additional sizable sales in August and September as prices rose. If recent history is repeated, marketings will return to a more normal pattern now, with a possible bulge in January as farmers take advantage of the new tax year.

It is likely that the changes in marketing patterns for Nebraska have been mirrored in most of the major wheat States. The timing varies by the start of harvest or the amount of storage available, but it seems clear that U.S. wheat producers have changed their marketing habits.

[2]Nebraska Wheat Quality 1975, September 1975, State-Federal Division of Agriculture Statistics, Nebraska Department of Agriculture.

Bread Prices and Spread Down During July-September

An easing of bread prices during the July-September quarter was a bit of a surprise in view of the increase in wheat and flour prices during July and August. The average U.S. price for a 1-pound loaf of white bread was 35 cents, about 2½ cents below the record high of last February.

The farm-retail spread at 28 cents in September has declined about 7 percent from first half 1975 levels. Higher farm ingredient values are being reflected. Most of this narrowing shows in the baker-wholesaler spread.

Bakers commonly purchase or order on a 2- or 3-month basis, so the impact of recent increases in flour prices is apt to show up in October-December bread prices.

White pan bread: Prices, spreads, and farm value per 1-pound loaf, 1975

Item	July		August		September		October		November		December	
	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975	1974	1975
	Cents	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
Farm Value	7.5	6.7	7.3	7.3	8.0	7.1	8.6		9.3		8.8	
Wheat	5.1	4.3	4.8	4.9	5.3	5.0	5.7		5.9		5.5	
Other[1]	2.4	2.4	2.5	2.4	2.7	2.1	2.9		3.4		3.3	
Farm-Retail Spread[2]	27.3	28.9	27.3	27.8	26.8	27.9	27.0		26.5		27.6	
Miller	0.8	0.5	1.1	0.7	0.6	0.8	1.0		0.7		1.1	
Baker-wholesaler	18.0	21.5	18.3	20.5	18.3	20.7	17.8		17.2		17.9	
Retail	5.9	4.1	5.6	4.1	5.4	4.0	5.7		5.8		5.7	
Other[3]	2.6	2.7	2.3	2.5	2.5	2.4	2.5		2.8		2.9	
Retail price	34.8	35.6	34.6	35.1	34.8	35.0	35.6		35.8		36.4	

[1] Includes lard, shortening, sugar, and nonfat dry milk. [2] Totals may not add due to rounding. [3] Charges for transporting and handling all ingredients; processing farm ingredients other than wheat; and costs of nonfarm ingredients such as yeast and salt.

THE 1975/76 SITUATION BY CLASS

Hard Red Winter Has a Tinge of Yellow

Early hopes for a large HRW wheat crop and a return to ample supplies appear to have been at least partially realized. The 1975 harvest is a record shattering 1,050 million bushels. However, with stocks still minimal, total supplies of 1,235 million bushels are still below the levels of 10 of the last 20 years.

Some of the early problems facing the HRW wheat user have been resolved or at least subdued. Large supplies of yellow hard (YHW) caused concern about shortages of higher protein wheats for baking purposes.[1] But industry adjustments plus the flow of hard and dark hard winter to the marketplace have lessened the outcry.

For the third consecutive year, the quality of the HRW crop appears to be below average. Test weights per bushel are not too different from the 1974 crop. However, the average protein content is again lower than normal. Only around a third of this year's crop tested 12 percent protein or better, meaning another tight year for high protein winters. But baking characteristics of the 1975 crop are holding up well, considering the protein level of the flour. The larger supplies of YHW have caused some concern, but tests indicate that flour milled from this wheat is of fairly good quality. In addition, the characteristically fatter wheat kernel means a somewhat higher flour yield.

Earlier predictions of a surge in feed use have not materialized because of the slowness in the recovery in livestock feeding and the strength in wheat prices relative to other grains this summer. It appears that feed usage for the year may total near last year's low level. Mill grind is running ahead of a year ago's level, but it is too early to tell whether the recovery is due entirely to increased consumption or is going to rebuild inventories. It is possible that with supplies of other wheat classes more abundant this year, HRW use could fall short of last year's level.

If domestic use totals around 275 million bushels for the crop year, around 960 million bushels would still be available for export and carryover. Through the first 3 months around 18 percent of this had been exported. In addition, another 255 million bushels of outstanding sales were on the books as of October 1. On October 20, the moratorium on USSR sales was removed but since then the Soviets have only purchased U.S. corn. However, some additional wheat sales to the USSR

[1] See August 1975 Wheat Situation, page 8, for discussion of Yellow Hard Wheat.

are expected. Other markets may have been purchasing more wheat from the United States than anticipated since the Soviets have been buying from other suppliers. This could push HRW exports to around 700 million bushels. Year-ending stocks may be roughly a fourth above the July 1, 1975 level of 180 million bushels.

The variability in the quality of this year's crop has resulted in a wide price range for HRW. At one time some yellow hards were being discounted 40 to 50 cents per bushel. Meanwhile, 13 percent protein winters were commanding over a 30-cent premium. The discount for YHW has now virtually disappeared. However, protein premiums continue exceptionally strong.

Following the post harvest surge, prices of No. 1 HRW ordinary at Kansas City and other HRW markets have hovered around $4.00 per bushel. Using Kansas farm prices as an indicator of what the producer has been receiving shows a farm gate price near $4.00 a bushel through September. Prices fell to around $3.75 per bushel in mid-October and have shown some additional weakness in early November. Whether prices will strengthen from current levels or weaken this winter and spring as they did a year ago will depend largely on developments on the export front. It would very likely take a heavy surge of new sales to carry prices much above current levels. On the other hand, it now appears that export sales are likely to be stretched out more evenly over the year, giving rise to more late season strength than last season.

The 1976 winter wheat planting season lagged through much of the hard winter wheat producing area. Top soil moisture has been short in most of the western Great Plains. Consequently, many farmers delayed plantings hoping for rain. This is reflected in the fact that by early November planting progress was still slightly behind a year ago and the norm. Recent rains in the eastern Great Plains spurred seedings. The moisture shortage has resulted in some spottiness of early stands.

Last year around 39 million acres were seeded to HRW. With prices continuing strong, farmers probably will plant at least this much for the 1976 crop. However, the continued dryness in some areas might have resulted in some last minute abandonment of winter wheat intentions.

Hard Red Spring Supplies Larger; Quality Lower

Unfavorable weather during this year's harvest has apparently affected the quality of the hard red spring wheat crop. Current estimates put the crop at 336 million bushels, over 15 percent above last year's weather-reduced harvest. However, the quality appears to be below average for the second consecutive year with protein levels averaging about 1 percentage point below a year ago. The availability of the higher protein springs has also been sharply reduced. However, last year's problems with frost and drought damage and sprouting have not recurred.

Mill demand for HRS appears strong because of the below average protein of the HRW crop. But it will still be below the exceptionally heavy levels of 1972/73 and 1973/74. Many of the medium protein HRS's are trading on par with the higher protein hard red winters and, because of greater relative availability, these wheats may continue to make up a larger than normal share of the baker's flour this year.

If domestic use does rise to the anticipated level, close to 240 million bushels would still be available for export or carryover. During July-September 1975 exports totaled around 50 million bushels and outstanding sales on October 1 were 35 million. Last year, HRS exports totaled 130 million bushels, due in part to a Canadian spring wheat crop which was short both on quantity and quality. The question arises about the export prospects for 1975/76. Last year three countries—Japan, the Netherlands, and Venezuela—accounted for almost 60 percent or 72 million bushels of our hard red spring shipments. To date these countries have taken or booked only around 50 million bushels, so some additional purchases are likely. Other traditional but smaller customers also are expected to return to the market. But the magnitude of new sales may well depend upon supplies available from other countries and on whether HRS prices are competitive with our own HRW's. Canada, our principal competitor for protein wheat markets, has imposed an embargo on sales to new customers until the size and quality of their 1975 crop becomes clearer. This year's crop was hit by bad weather around harvesttime and there is some concern about the overall quality. It still appears that Canada, despite problems, is intent on maintaining export availability.

Factors that may be holding up export sales of U.S. spring wheat are the memory of the break in prices last November, and the general uncertainty about the Soviet situation. This may be prompting some customers to delay commitments until the price situation becomes clearer.

Prices of Dark Northern Spring (DNS) wheats at Minneapolis rose on the news of USSR wheat sales, topping out at over $4 per bushel for ordinaries. Both ordinary and high protein wheat showed substantial gains. However, the protein crunch has led to premiums for 14 and 15 percent proteins as much as 75 cents to a dollar a bushel over ordinary HRS. In recent weeks the lower protein springs have appeared to be less able to hold their price strengths than the higher proteins.

SRW Supplies Up; Demand Expands

Another bumper SRW harvest has resulted in record supplies and market prices below those for most other classes of wheat. Possibly the largest SRW acreage on record plus good per acre yields pushed this year's SRW crop to a record shattering 347 million bushels. Supplies of over 360 million bushels for 1975/76 are more than triple the normal mill grind and at least double the traditional total domestic use.

After having to adjust to a large supply of garlicky SRW wheat last year, this year's more normal quality is welcome news to the domestic flour miller. The improved crop quality, lower SRW prices relative to other classes, and an apparent recovery in the consumption of sweet bakery goods all point to a stronger mill grind this year. This is evidenced by the heavy mill grind east of the Mississippi during July-September.

Last year feed use was supported by the large quantities of discounted garlicky wheat. But these discounts are not common this year. However, during the early harvesting period, SRW prices were below corn in the feed deficit areas of the South and East, which could have pushed SRW feed use up from last year's level.

If total domestic use does climb a fifth to around 160 million bushels, over 200 million bushels would still be left for export and carryover. This prospective over-supply has been a drag on SRW prices. Importers responded and during July-September over 50 million bushels were exported. As of October 1, another 50 million bushels were on the sales books. Additional sales are expected, but whether they will be large enough to prevent a buildup in SRW stocks is doubtful.

The general price strength of grains carried SRW into the $4.00 per bushel arena in early October. A significant fact is that SRW has been averaging 10 percent or more below ordinary hard winter at Gulf export points. As long as this relationship continues, SRW exports should continue strong. But as SRW supplies tighten relative to those of the lower protein hards and white wheats, these discounts may narrow or even disappear.

As earlier mentioned, 1975 acreage was one of the largest on record. But what about 1976? Fall planting conditions have been good. Seeding progress was near or slightly ahead of normal in most producing areas. Despite SRW's low prices, relative to other grains, it has maintained its relative strength compared to corn. Thus, it would seem unlikely that there would be much change in SRW acreage in 1976. Of course, the farmer must consider how wheat fits into his farming plans and what his alternatives are. Double cropping SRW wheat in combination with soybeans has become an important factor in SRW planting. Reports indicate that this practice is moving farther north into the North Central States. Survey data indicate about 7 percent of the 1975 soybean crop (3.8 million acres) was planted after another crop. Double-cropping in the North Central States was about 5 percent and in other States 10-15 percent.

Record Durum Crop But Disappearance Lags

The record 1975 durum crop, estimated at 121 million bushels, is over 50 percent larger than last year's weather stricken harvest. Larger acreages and a sharp increase in yields both contributed to the increase. Quality of the crop appears better than last year when test weights were off and drought and frost damage and sprouting were common.

A new crop development has appeared on the durum horizon. In recent years new varieties and exceptionally strong prices have seen an expansion in durum production outside of the traditional durum wheat triangle in North Dakota and Western Minnesota. Acreages have expanded in Montana and South Dakota. But the new wrinkle is a sharp expansion in durum acreage in the Southwest, especially Arizona. The expansion in durum acreage began with the 1975 crop, although exact acreage levels are unknown since it was included with winter wheat.

On the strength of a record crop, durum supplies in 1975/76 will soar to over 140 million bushels, almost a third above last year. And this comes in the face of a questionable demand. Sharp price increases for many competing foodstuffs set the stage for an increase in the consumption of macaroni, spaghetti, and other pasta products, our principal domestic outlook for semolina or durum flour. Yet last year durum mill grind fell 10 percent below the heavy level of the 2 preceding years. Why? Price relationships between semolina and other competing wheat flours provide the answer. In late October 1975, semolina-100 percent durum was selling about 50 percent above hard winter patent flour and about a third above spring patent flour. These price relationships have generally existed since the summer of 1972 and have been large enough to encourage pasta manufacturers to shift to other flour classes within product tolerances.

Consequently, despite the possibility that 1975/76 will be another strong pasta consumption year, durum grind could again lag because of the wide spread between semolina and competing flours.

Exports of 15 million bushels during the July-September period are more than double a year ago's level. Another 19 million bushels were on the books, bringing the prospective total for the year to 34 million bushels, 15 million short of last year's total shipments. Additional sales prospects are on

the horizon and the total for the year is likely to exceed last year's level. However, it still seems likely that 1976 year-ending durum stocks will climb to around 40 million bushels, double this summer's level.

Despite the surplus of supplies over demand, durum prices have been strong. Prices of No. 1 Hard Amber Durum had been averaging around $6.00 per bushel since harvest. However, in October they had eased into the mid-$5 area or about $2 per bushel below the year-earlier level. This is probably a reflection of the larger durum supply relative to demand this year.

White Wheat Crop Up

Despite a shaky start and a weather plagued harvest, the 1975 outturn of white wheat totals a record 282 million bushels, 10 percent above a year ago. Prolonged periods of rain caused some local damage to the crop but in general the quality is satisfactory.

Of the 282 million bushel crop, the East accounted for about 35 million bushels, the Pacific Northwest around 195 million, and 50 million bushels were scattered among other western areas.

Overall, white wheat supplies are about 14 percent larger than last year's 273 million bushels. The question is whether the demand will be large enough to absorb these supplies and prevent a sharp buildup in stocks by next summer.

Domestic use slumped last year as both mill grind and feed use were off. Mill grind this year is picking up. With somewhat larger cattle numbers in the PNW and favorable wheat-feed grain price relationships early in the season, feeding could also be up. But the big swinger is still exports. In most years, exports account for about 70-80 percent of total use. Consequently, the market is highly sensitive to export prospects. During the July-September period around 50 million bushels were shipped, somewhat ahead of last year's pace. Outstanding sales added another 37 million, bringing the total up to around 85 million bushels. The strong tone of this year's world import market would seem to indicate that total white wheat exports could well exceed last year's 200 million bushels, thus limiting any buildup in wheat stocks this year.

Since the post harvest price surge, No. 1 White at Portland has been holding at slightly over $4 per bushel or about a dollar below year ago levels.

Last year white wheat seedings totaled around 6 million acres. Dryness held up plantings this fall, but the strong competitive position of white wheat will keep acreage large.

OUTLOOK FOR 1976 WINTER WHEAT

Wheat Growers Planting and Planning

The 1976/77 season will mark the third consecutive year of a wheat program with no planting restrictions. Other features of the 1976 wheat program include:[1]

1) A national wheat allotment of 61.6 million acres, up 8 million from this year. The allotment is used as a basis for making payments to participating growers if the national average market price during the first 5 months of the marketing year falls below the established target price, or if growers qualify for disaster payments. The allotment is not a limit on the amount of wheat that may be planted.

2) No conserving base requirements.

3) Growers may substitute any nonconserving (except marketing quota crops) or any conserving crop (including approved volunteer cover) used for hay or for grazing to preserve allotments.

Winter wheat growers were observing strong wheat markets when making planting decisions during the August-October period. Prices moved up sharply from June lows, although levels were still 5-10 percent under 1974. Also wheat prices were stronger relative to other crops than in 1974. Of the crops listed below, only barley and rye were more favorable.

Also, new crop futures have provided a basis for forward selling at favorable prices. July new crop contracts at Chicago and Kansas City have been as high as $4.60 per bushel and in late October were running around $4.25.

Item	August			September		
	1973	1974	1975	1973	1974	1975
	Dollars per unit					
Cotton (cwt.)	37.46	53.60	42.90	38.20	54.90	44.70
Sorghum (cwt.)	3.64	5.07	4.69	3.87	5.30	4.56
Barley (bu.)	2.10	2.78	2.56	2.16	2.86	2.69
Corn (bu.)	2.68	3.37	2.95	2.15	3.30	2.76
Soybeans (bu.)	8.99	7.55	5.80	5.81	7.32	5.32
Wheat (bu.)	4.45	4.24	3.89	4.62	4.32	4.11

Producers have generally been facing a much improved supply situation this fall for fertilizer and pesticides. This is due to both a step-up in output and a cutback in usage both in the United

[1]See the May 1975 issue of the *Wheat Situation*, page 9.

States and abroad. As a result, prices have tumbled, particularly for nitrogenous fertilizer. While costs of other inputs are higher, 1975 price hikes were generally far less than those experienced in 1974.

Winter Crop Planted; Condition Mixed

Winter wheat seedings have generally been completed. Early planting was ahead of schedule but dry weather in the Southern Plains and the PNW slowed operations as growers waited for much needed rain. Open weather in the East North Central States encouraged producers to make rapid progress with corn and soybean harvesting and quickly move on with the seeding of SRW.

Winter wheat planting increased 7 percent in 1975 and 32 percent during the 3 years since 1972. The percentage gains have been greatest in the SRW region. Usual determining factors and favorable planting weather suggest that plantings for 1976 may show a modest increase.[2] Double cropping practices, the need for wheat pasture, and weather will be other factors influencing the size of seedings.

Wheat: Planted acreage of winter wheat in major states

State	1973	1974	1975
	1,000 acres	*1,000 acres*	*1,000 acres*
Nebraska	2,800	3,000	3,150
Colorado	2,520	2,800	2,730
Kansas	10,800	12,000	12,500
Oklahoma	6,000	7,000	7,400
Texas	4,600	5,600	6,500
Montana	2,200	2,750	3,100
Washington	2,730	2,800	2,850
Oregon	1,020	1,120	1,150
Idaho	900	1,060	990
Ohio	755	1,580	1,820
Indiana	740	1,440	1,560
Illinois	1,390	1,850	1,850
Pennsylvania	276	360	360
Missouri	980	1,450	1,660
Other	5,521	7,597	8,228
Total	43,232	52,407	55,848

New Marketing Year For Wheat; Change Also Proposed for Other Grains:[3]

Effective June 1, 1976 the wheat marketing year will be changed to June 1-May 31 from the current July 1-June 30. USDA also is proposing to change the marketing years for oats, barley, rye, flaxseed, and sorghum to June 1 through May 31 in order to more nearly correspond with harvesting schedules in the major producing areas. Presently, the marketing years are July 1 to June 30 for oats, barley, rye and flaxseed, and October 1 to September 30 for sorghum.

These changes would be effective with the marketing year starting June 1, 1976. Prompting the intended adjustment is USDA's desire to have the marketing years for these crops match the new wheat marketing year.

USDA will continue to publish wheat supply, utilization, and price data based on the old July 1 through June 30 marketing year until June 1, 1976, when its reports will shift to the new dates. At that time, the farm and off-farm stocks estimates for wheat, oats, barley, rye, flaxseed, sorghum, corn, and soybeans will be shifted from July 1 to a June 1 reporting date.

Since the marketing years for oats, barley, rye, flaxseed, and sorghum are still only under consideration, USDA invites interested parties to contact the Department with their reactions to the proposal. Responses may be made to the Director of Agricultural Economics, U.S. Department of Agriculture, Washington, D.C. 20250, and should be received not later than December 1, 1975.

[2]See article by Robert G. Hoffman in August 1973 *Wheat Situation* for an analysis of factors affecting supply.

[3]Plans for published data series on the marketing year will be discussed in the next issue of the *Wheat Situation*.

WORLD WHEAT SITUATION[1] OUTLOOK FOR 1975/76

World Wheat Crop Near 1974 Level

The 1975 world wheat crop, estimated at close to the 1974 level of 350 million tons, will turn out to be well below early season prospects. Bumper crops in Canada, Argentina, India, Iran, Turkey, and the United States are offset by projected smaller crops in the USSR, and West and East Europe.

Soviet Grain Crop Estimate Reduced to 160 Million Tons: Wheat to 75 Million

On October 24, the USDA reduced its estimate of 1975 USSR grain production to 160 million metric tons, reflecting a lower than previously esti-

[1]Contributed by William F. Hall. Based on FAS, *World Grain Situation: Outlook for 1975/76,* FG-13-75, Oct. 31, ERS, *World Agricultural Situation*, WAS-8, Oct. 1975. Data in metric units.

mated harvest in Kazakhastan—one of the main spring grain producing regions. At 160 million tons, the Soviet grain crop would be about 35 million below that of 1974, and approximately 55 million below the original level planned for the 1975 crop.

The revised estimate includes a 7-million-ton reduction in the wheat crop to 75 million, and a 2-million-ton reduction in the coarse grains to 73 million. The miscellaneous grain estimate was dropped to 12 million tons, a reduction of 1 million.

This latest revision suggests a significant downward adjustment in total USSR grain usage in 1975/76. Feed usage of grain, in particular, may be cut by at least 5 percent from the 1974/75 level. Total grain imports for the current July-June season are projected at about 27 million tons, while exports now seem likely to be no more than 1 million tons.

Imports of grain into the Soviet Union to offset this year's crop shortfall probably will continue into the early months of the 1976/77 as was the case in 1972/73 and 1973/74. For the 15-month period, July 1975 through September 1976, it is likely that total USSR grain imports will be somewhat over 30 million metric tons.

To date Soviet grain purchases from all origins for shipment during the entire 15-month period have reportedly reached around 25 million metric tons, including over 13 million from the United States.

U.S.-USSR Grain Agreement Reached

Agreement has been reached between the United States and the USSR on purchases of U.S. wheat and corn by the USSR for a 5-year period beginning October 1, 1976.

The agreement provides that the USSR will buy a minimum of 6 million metric tons of U.S. wheat and corn in approximately equal proportions for shipment in each 12-month period beginning October 1, 1976. Purchases will be at prevailing market prices with normal commercial terms. When the U.S. grain supply (carryin stocks plus forecast crop production for the coming crop year) falls below 225 million tons, the United States may reduce the quantity of wheat and corn available for purchase. The USSR may buy up to 2 million additional tons in any 12-month period without consultation with the U.S. Government.

The agreement calls for periodic consultations whenever the USSR wants to buy more grain or the United States wants to sell more grain than provided for by the agreement.

Highlights of U.S.-USSR Maritime Agreement

Negotiations on the establishment of a freight rate for U.S. flagships handling Soviet grain were concluded in mid-September.

Terms of the agreement include:

— A minimum U.S. Gulf/Soviet Black Sea grain freight rate of $16 per metric ton through December 31, 1976. This rate is significantly higher than current market rates.

— An index system for determining monthly grain freight rates with a Black Sea freight rates in relation to the index trade (Gulf/Belgium-Holland). This relationship was increased from 1.5 to 1 to approximately 3 to 1.

— A credit/debit system which in a low market provides for the payment by the Soviets of a freight rate which is higher than the market rate and sufficient to allow a significant number of U.S.-flag vessels to participate in the trade, and in a strong market provides for an offset. When the credit is eliminated, the rates received by U.S.-flag carriers will be determined under the new index system.

— A higher minimum demurrage rate for U.S.-flag vessels.

Since the implementation of the new freight rate on September 22, 1975, 23 U.S.-flag ships have been fixed to carry approximately 873,500 tons of U.S. grain to the Soviet Union as of October 26th during the month of October.

Southern Hemisphere Wheat Prospects Improve

The coming wheat harvests in Australia and Argentina are expected to be good. Australia's crop recovered remarkably from drought and heavy rains at planting as favorable growing conditions set in and 1975/76 production is estimated at 11 million tons, only slightly below a year ago. Australia's wheat exports for 1975/76 are projected at 8.7 million tons, up 6 percent over last year, including 1.5 million tons to the Soviet Union.

Argentina's plantings were a tenth larger and yields are expected to be vastly improved resulting in harvest prospects a third above last year's 5.7 million tons. Thus, Argentina's exports for 1975/76 are estimated to be somewhat larger than the 2.2 million tons in 1974/75.

Canada's Wheat Crop Up Sharply; Quality Improved

Canada's wheat crop for 1975 is estimated at 17 million tons, up 28 percent from 1974's poor harvest. This includes a durum harvest of 2.5 million tons, more than 50 percent larger. The quality of this year's wheat crop is improved from last year's weather-reduced level, but wet weather at harvest this year left quality somewhat below average. With a larger supply, Canadian wheat exports for 1975/76 are estimated at 15 to 20 percent above last year's 11 million tons. The Wheat Board has announced sales to the Soviet Union so far this year of 4.0 million tons.

India's 1975 Wheat Crop Was Up Sharply; 1976 Crop Early Start Good

India's 1975 wheat crop, the first major harvest of the season, is estimated at 25.8 million tons, up 17 percent from the relatively small crop of 1974. The good crop, which was attributed to improved irrigation, expanded use of high yielding varieties, and favorable weather, plus a good rice crop eases somewhat the extremely tight food grain situation India has been facing. But demand pressures continue to swell, and India is expected to continue relatively large imports of food grains. Commitment of U.S. wheat already totals about 3.2 million tons. Widespread rains at planting time got the 1976 wheat crop off to a good start.

West and East European Wheat Crops Down Sharply

The Western Europe 1975 wheat harvest is estimated at 49 million tons, down 13 percent from 1974. The Economic Community's (EC) wheat crop is estimated at 38 million tons, down 15 percent. Excess rain at planting time and drought later in the season, especially in the north and northwest regions of Europe, are largely responsible for the decline in production. This will probably mean a minor ease in gross imports for Western Europe from last year's 11 million tons.

The EC, which accounts for 90 percent of Western Europe's wheat trade, is expected to follow a rather cautious grain export policy in 1975/76, in order to assure adequate supplies for its members and traditional markets. Gross exports are expected to be down somewhat and gross imports will likely be up about a tenth.

Eastern Europe's 1975 wheat harvest is estimated at 30 million tons, down 14 percent from 1974. The crop outlook was promising until June. In Romania, July floods inundated 800,000 hectares of agricultural land and in Hungary and Yugoslavia rainfall was a third above average, leading to heavy harvest losses. At the other extreme, hot dry weather in East Germany and Poland lowered anticipated yields and production.

It is estimated that East Europe's wheat imports may be somewhat less than last year even with the smaller crop. This is partly due to adjustments in feeding and larger imports of feed grains.

World Trade May Be Record Large

World trade in wheat for 1975/76 (July-June), is projected at 75 million tons, about a tenth larger than 1974/75. The increase is largely due to Soviet purchases and prospective West European imports.

Wheat prices at Rotterdam, the Netherlands, c.i.f.

Classes and year	May 27	June 30	July 28	August 29	September 29	October 24
	Dollars per bushel	*Dollars per bushel*	*Dollars per bushel*	*Dollars per bushel*	*Dollars per bushel*	*Dollars per bushel*
United States						
HRW 13.5%[1]						
1974	4.64	5.17	5.31	5.44	5.91	6.29
1975	3.84	4.35	5.02	5.14	5.33	5.09
DNS 14%						
1974	5.08	5.44	5.80	5.67	6.06	6.36
1975	4.61	4.61	5.13	5.35	5.50	5.21
Canada No. 1						
CWRS 13.5%						
1974	4.03	5.64	5.85	5.88	6.04	6.64
1975	5.17	(2)	(2)	5.89	6.12	5.93

[1] Beginning January 1974, quoted as 12 percent, effective June 1974, quoted as 13.5 protein. [2] Not quoted.

Basis: 30 to 60 days delivery. Source: *Foreign Agriculture*, FAS.

HIGHLIGHTS OF THE RYE SITUATION

Supply Short; Prices Strong

The 1975/76 rye situation can be summed up quickly—small stocks, short crop, high prices, and weak demand. Rye prices have remained strong relative to wheat and use continues down. Monthly rye grind has been running below year earlier levels since July 1974 as users, particularly cracker bakers, continue to shift to soft wheat flour in their formulations. The July-September grind is estimated to be down a fourth from last year.

Export business has been slim thus far. Commitments as of October total only 1½ million bushels. July-September shipments of 665,000 bushels all moved to Eastern Europe.

Rye prices at Minneapolis (No. 2) have been exceptionally steady at around $3.05 per bushel since moving down from $3.35 in late August. Rye has generally moved with prices of other grains. If plantings for 1976 bounce back in South Dakota after last fall's drought shortened crop, rye prices in 1976/77 could weaken relative to wheat.

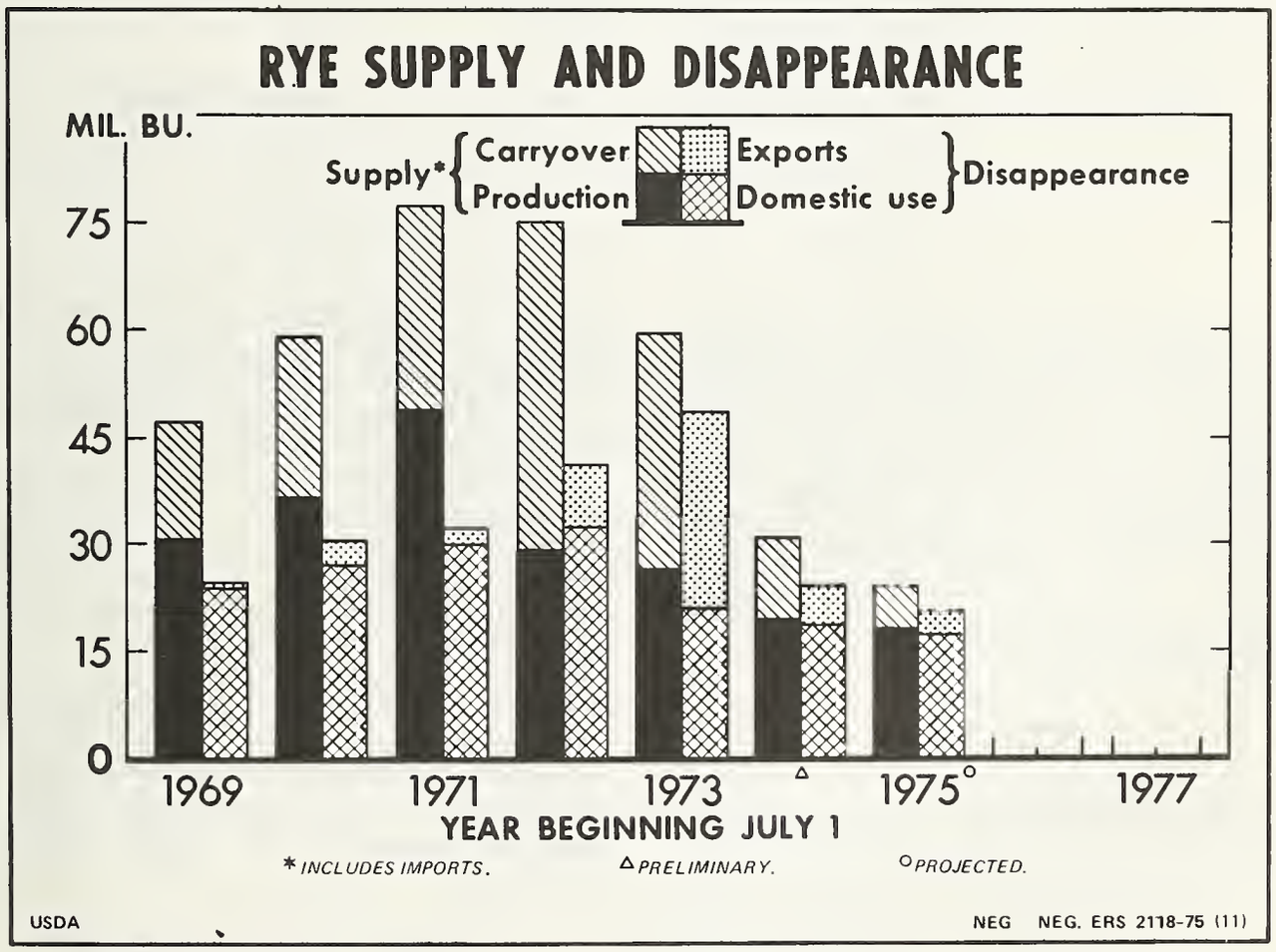
Wheat and rye cash prices

Year and month	No. 2 wheat SRW Chicago	No. 2 rye Minn.	Wheat/rye ratio
	Dollars per bushel	*Dollars per bushel*	*Percent*
1970/71	1.67	1.13	148
1971/72	1.58	1.00	158
1972/73	2.31	1.11	208
1973/74	4.93	2.62	188
1974/75	4.09	2.88	142
1975/76			
July	3.42	2.58	133
August	3.82	3.04	126
September	4.06	3.03	134
October	3.84	3.01	128

Quarterly Rye: Supply and distribution

Item	July-September	
	1974	1975
	Million bushels	*Million bushels*
July 1 stocks	11.0	5.8
Production	19.3	18.6
Imports	([1])	.2
Total supply	30.3	24.6
Exports	1.7	.7
Food	1.4	1.1
Seed	2.1	2.3
Industrial	.2	.2
Feed	4.4	4.3
Total disappearance	9.8	8.6
October 1 stocks	20.5	16.0

[1] Less than 50,000 bushels.



A REVIEW OF GRAIN USING INDUSTRIES: PART II

by
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ABSTRACT: Wheat use by both the flour and other grain products and cereal breakfast foods industries dropped from 1963 to 1972. Wheat flour use increased in the dog, cat, and other pet food; prepared feeds, not elsewhere classified (N.E.C.); blended and prepared flours; and flour and other grain mill products industries. Rice milling expanded sharply. The combined statistics for dog, cat, and other pet food, and prepared feeds, N.E.C. showed increased consumption of barley, corn, oats, sorghum, and wheat between 1963-72.

The number of establishments declined between 1967-72 for all industries. The food preparations, N.E.C. industry had the largest gain in value added by manufacture on a price adjusted basis. Wet corn milling showed a decline.

KEYWORDS: Grains, grain processing, grain utilization, grain processing industries.

This article, which is the second of a 2-part series, reviews 1963, 1967, and 1972 Census of Manufactures of the United States data for seven food and kindred products industries: 1) flour and other grain mill products; 2) cereal breakfast foods; 3) rice milling; 4) blended and prepared flour; 5) wet corn milling; 6) dog, cat, and other pet food; and 7) prepared feeds, not elsewhere classified.[2] In addition, industry comparisons for value added by manufacture and kilowatt-hour equivalent heat and power consumption are shown.

GRAIN USE

The largest domestic user of wheat is the flour and other grain mill products industry (table 1). This industry used 8 percent more wheat in 1972 than in 1967 but slightly less than in 1963. The quantity of wheat used by the cereal breakfast foods industry declined about a third from 1963 to 1972, while the pet food and prepared feeds industries boosted their use substantially.

Quantities of wheat flour used by the blended and prepared flours industry showed a modest increase during the period. This industry ranked third in wheat flour use, behind the bread, cake, and related products industry and the cookies and crackers industry.

Rice use by the rice milling industry increased 40 percent from 1963 to 1972, the greatest relative gain of any grain.

Prepared feeds (N.E.C.) used more corn, oats, and sorghum than any of the other industries reviewed and ranks second in barley use behind the malt industry.

INDUSTRY STATISTICS

General industry statistics (employment, payroll, cost of materials, and value of shipments) are shown in table 2.

Prepared feeds (N.E.C.) led all categories in 1972.

[1]Grains and Feeds Program Area, CED, ERS, U.S. Grain Marketing Research Center, Manhattan, Kansas.

[2]Part I, published in the May 1975 *Wheat Situation*, reviewed the following industries: bread, cake, and related products; cookies and crackers; malt beverages; malt; distilled liquor, except brandy; macaroni and spaghetti; and food preparations, not elsewhere classified.

Flour and Other Grain Mill Products

The number of establishments in this industry declined sharply from 1963 to 1972. However, employment declined relatively more, implying adoption of new technologies, improved managerial techniques, and mill modernization.

Between 1963 and 1972, value added by manufacture went up 37 percent while costs of such materials as fuels increased 5 percent and payroll about 11 percent. This greater than proportionate increase in value of manufacture over cost of material and labor suggests a realignment of product mix in favor of higher valued products.

Value of shipments, which gained from 1963 to 1967 but declined from 1967 to 1972, showed only a 9 percent gain for the 10-year period. New capital expenditures increased about 28 percent from 1963 to 1972.

Processors of wheat flour recorded an 8 percent decline in shipments from 1963 to 1967 but shipments in 1972 were higher (table 3). Overall there was a 6-percent decrease for the 10-year period. All categories of flour products showed declines except durum flour and semolina and other wheat flour including farina.

Detailed comparisons can be made between 1967 and 1972.[3] In 1972, domestic shipments of white bread-type flour and of soft wheat flour to bakers and institutions were almost 18 percent over 1967. But much of this increase was of soft wheat flour. Family flour shipments declined 24 percent, and other processors' use declined 23 percent.

Export shipments of white flour declined almost 10 percent from 1967 to 1972, as a result of new mill construction in importing countries and increased foreign competition. However in many instances, the decreased exports of U.S. flour have been offset by increased exports of U.S. wheat.

Shipments of wheat mill products other than flour showed a 9-percent decrease from 1963 to 1972. Because they are joint products in the milling process, they parallel changes in flour shipments. Quantities of wheat mill products other than flour however, showed a somewhat greater percentage decline than flour (9 versus 6). This was principally due to an increase of 1.3 percent in the flour extraction rate from 1963 to 1972. Wheat germ recorded a 141-percent increase for 1972 over 1967. The spurt in health food demand encouraged the industry to expand the germ recovery processes.

Blended and Prepared Flour

Blended and prepared flour establishments declined from 165 in 1963 to 137 in 1972. However, a 10 percent increase in the number of employees was recorded during this 10-year period.

Between 1963 and 1972 value added by manufacture rose 73 percent while costs of materials such as fuels increased 57 percent and payroll went up 65 percent.

Value of industry shipments gained 62 percent from 1963 to 1972. New capital expenditures increased 42 percent.

Establishments in the industry consumed 144,000 cwt. more wheat flour in 1972 than in 1967 (table 1). The 1972 usage was up about 9 percent for the 10-year period. Since plant numbers declined, average usage per plant has increased.

Cake mix volume and value led all blended and prepared flour product categories in 1972 (table 4). Yet, cake mix volume in 1972 was down substantially from 1967, though still above 1963. Refrigerated doughs and sweet yeast good mixes were only slightly behind cake mixes in quantities shipped during 1972. These three product categories accounted for 65 percent of industry shipments during 1972, down from 70 percent in 1963. The share of bread and bread-type roll mixes rose from less than 3 percent in 1963 to 12 percent in 1972.

The 1972 Census also shows that 82 percent of the industry products were manufactured chiefly from purchased flour, compared with only 77 percent in both 1963 and 1967. The remainder represented products made chiefly from flour milled in the same establishment.

Cereal Breakfast Foods

The number of cereal breakfast foods establishments has not changed greatly since 1963, although industry employment grew 13 percent. Value added by manufacture increased 89 percent between 1963-72, with most of the increase in the last 5 years. Costs of fuels and materials were up 66 percent and the payroll rose 53 percent during the 10 years. New capital expenditures for the same period rose 58 percent.

The rate of increase of the value of shipments from 1967 to 1972 was twice that of the previous 5-year period. Overall there was an 80 percent gain between 1963 to 1972. This gain in value was larger than quantity, reflecting price increases and a change in product mix to higher valued items.

From 1963 to 1967 shipments of ready-to-serve breakfast cereals increased 28 percent while those of to-be-cooked declined 52 percent. Data for 1972 were not published to avoid disclosing figures for individual companies. Per capita consumption of the cereal breakfast foods has been relatively stable: 11.3 pounds in 1963; 10.8 in 1967; and 11.0 in 1972. (*1*).[4]

[3]A breakdown of the domestic flour markets by type of outlet and product began in 1967.

[4]Numbers in parentheses refer to references listed at the end of this article.

Rice Milling

The number of establishments in the rice milling industry declined from 74 in 1963 to 57 in 1972. There were 300 fewer employees working in the industry by the end of the 10-year period.

Value added by manufacture rose 84 percent between 1963-72, while costs of fuels and materials were up 53 percent and the payroll increased 66 percent. Rice used increased 40 percent as shipment value increased steadily from 1963 to 1972. There was a substantial increase in new capital expenditures in 1967 relative to 1963, but expenditures in 1972 declined about a third from the 1967 level. Although the number of establishments and employees declined, it would appear that increased capital investment for adoption of new technology and mill modernization allowed the industry to significantly increase shipments from 1963 to 1972.

Wet Corn Milling

In 1963, the wet corn milling industry consisted of 60 establishments. Net closings over the 10-year period resulted in one-third fewer establishments and 1,100 fewer employees.

Value added by manufacture increased from 1963 to 1967 but then declined in 1972, to show only a 14 percent gain for the 1963-72 period.

The value of industry shipments in 1972 increased 34 percent from the $622 million in 1963. New capital expenditures for 1972 were 2.25 times the 1963 level.

Dog, Cat, and Other Pet Food; Prepared Feeds, Not Elsewhere Classified (N.E.C.)

These are two new industry classifications under the 1972 Census revision of the Prepared Feeds for Animals and Fowls industry and several product codes of other industries. The revisions of the two industries are summarized in table 2 for comparison purposes. The number of establishments declined about 10 percent from 1963 to 1972. The combined industries rank second in number of establishments (2,341) after the bread, cake, and related products industry. Employee numbers increased in 1972 over 1967; numbers were down in 1967 from 1963.

Between 1963 and 1972 value added by manufacture went up 74 percent while costs of materials and fuels increased 63 percent and the payroll went up 71 percent.

Value of industry shipments in 1972 increased 66 percent from the $6.4 billion in 1963. New capital expenditures went up almost two and a half times over the same period.

INDUSTRY COMPARISONS

The Census Bureau indicates that the value added by manufacture is considered to be the best measure for comparing the relative economic importance of manufacturing among industries. Value added avoids duplication resulting from the shipments of establishments producing materials and components along with the shipments of establishments producing finished products. Table 5 lists the value added by manufacture in order of greatest percentage increase from 1963 to 1972. To show the change over the period in terms of real growth, the data were adjusted using the wholesale price index for processed foods and feeds. Heading the list is the food preparations (N.E.C.) industry with a 65 percent growth rate for the period. Part of the growth by the industry was due to the increase in all types of cereal chips and snacks as well as unpopped corn in consumer packages. Of the industries whose ingredients are mostly cereals and products, the cereal breakfast foods and rice milling showed growth above 4 percent annually. After slight growth during 1963-1967, the malt and wet corn milling industries turned down in 1972, recording an overall decline for the 10-year period.

Fuels and Electric Energy Consumed

The Census Bureau has published estimates of kilowatt-hour equivalent of the quantity and cost of purchased fuels and electric energy used in 1967 and 1971 by manufacturing plants for heat and power (see table 5). The data came from the Annual Survey of Manufactures Panel. The survey and the census are conducted under different conditions, so that the estimates may not be strictly comparable.

The wet corn milling industry leads in kilowatt-hour equivalent consumption of heat and power among food and kindred product industries shown (table 5). Other large users are the combined dog, cat, and other pet food, and prepared feeds (N.E.C.) industries; the bread, cake, and related products industry; and the malt beverages industry.

The ratio of value added by manufacture to kilowatt-hour equivalent use reflects the degree to which the industry's dependence on power consumption is related to its economic contribution. It follows that the wet corn milling industry with a value added to kilowatt-hours equivalent ratio of 20, would be more directly affected by fuel and energy price increases than the bread, cake, and related products industry with a ratio of 204. Admittedly, price increases would be more selective than the kilowatt-hour equivalent shown because of varying composition of fuel sources used by prepared industries.

DISCREPANCIES IN WHEAT FLOUR USE

Difficulty in matching 1972 Census of Manufactures data on wheat flour shipments with reported industry consumption has already been reported *(2)* Domestic flour shipments of 229,536,000 cwt., as reported in the 1972 Census, differ by only 0.1 percent from the 229,842,000 cwt. reported by the Census Bureau for 1972 in their monthly 'Current Industrial Reports.' USDA estimates wheat flour domestic supply at 229,838,000 cwt. for 1972 *(3)*.

Consumption of wheat flour is reported under materials consumed by kind in the Industry Series Reports for food and kindred products. Table 6 shows food consumption totaled 174,796,000 cwt. in 1972. This leaves 54,740,000 cwt. unaccounted for. There were 25,707,000 cwt. shipped as family flour and 2,494,000 cwt. shipped for nonfood use leaving 26,539,000 cwt. or 11.6 percent of production unaccounted for.

There are several possible explanations: (1) Flour production may be in error; (2) All food use is not being reported by industries presently showing consumption or some industries using wheat flour are not being asked to report; (3) Flour classified as shipped for bakers and institutional use is being consumed as family flour or in nonfood use areas; (4) The retail baking sector, a major user of wheat flour, is not being surveyed for flour use. This sector was estimated to have used 15,000,000 cwt. in 1972 (*2*).

GLOSSARY

SIC 2041 - Flour or meal from grain except rice.

SIC 2043 - Cereal breakfast foods and related preparations.

SIC 2044 - Rice, rice flour or meal.

SIC 2045 - Blended flours and flour mixes from purchased flour.

SIC 2046 - Corn or sorghum by the wet process and producing starch, sirup, oil, sugar and byproducts such as gluten feed and meal. Also included are other vegetable sources (potato, wheat) where starch is primarily produced.

SIC 2047 - Dog, cat, and other pet food.

SIC 2048 - Prepared feeds for animals and fowls. Also certain feed ingredients and adjuncts such as alfalfa meal and feed supplements.

LITERATURE CITED

(1) U.S. Dept. of Agriculture. *Agricultural Statistics,* 1974, U.S. Govt. Printing Office, 1975.

(2) "Flour Market Data." *Milling and Baking News*, Vol. 54, No. 22, Kansas City, Mo., July 15, 1975, pp. 9.

(3) U.S. Dept. of Agriculture. *Food Consumption, Prices, Expenditures,* Supplement for 1973. Agr. Econ. Rpt. 138, Econ. Res. Ser., Washington, D. C. 1974.

Table 1 .--Quantity of selected grain and grain products used, 1963, 1967, and 1972

Grain & grain mill products	Unit	Industry: Flour & other grain mill products	Cereal breakfast foods	Rice milling	Blended & prepared flours	Wet corn milling	Dog, cat, & other pet food	Prepared feeds, N.E.C.	Dog, cat, & other pet food; prepared feeds, N.E.C. 1/
Barley									
1963	Mil. bu.	3.3	0.7	---	---	---	NA	NA	38.5
1967	"	2.8	1.6	---	---	---	NA	NA	32.2
1972	"	3.0	1.1	---	---	---	1.1	46.4	47.5
Corn									
1963	"	85.6	10.0	---	1.4	4/171.5	NA	NA	311.2
1967	"	92.8	9.5	---	3/	4/224.1	NA	NA	369.0
1972	"	87.1	2/	---	3/	4/261.8	31.2	403.0	434.2
Oats									
1963	"	13.5	22.3	---	---	---	NA	NA	63.7
1967	"	19.4	5/25.1	---	---	---	NA	NA	59.1
1972	"	9.1	27.7	---	---	---	7.5	58.7	66.2
Rice, rough									
1963	Mil. lbs.	---	---	6,294.5	---	---	---	---	---
1967	"	---	---	7,963.2	---	---	---	---	---
1972	"	---	---	8,803.1	---	---	---	---	---
Sorghum									
1963	Mil. bu.	6.4	---	---	---	---	NA	NA	91.6
1967	"	5.7	---	---	---	---	NA	NA	137.7
1972	"	4.9	---	---	---	---	0.9	112.3	113.2
Wheat									
1963	"	583.1	14.1	---	1.5	---	NA	NA	30.2
1967	"	531.2	12.6	---	3/	---	NA	NA	30.3
1972	"	573.2	9.2	---	3/	---	6.0	28.7	34.7
Wheat flour									
1963	Mil. lbs.	347.9	238.7	---	1,097.4	---	NA	NA	594.6
1967	"	729.3	187.3	---	1,178.7	---	NA	NA	823.4
1972	"	772.6	5/172.8	---	1,193.1	---	167.1	730.2	897.3

1/ Comparable data to SIC 2042, Prepared Feeds for Animal and Fowls, as classified in the 1967 edition of the Standard Industrial Classification Manual.
2/ Withheld to avoid disclosing figures for individual companies.
3/ Less than half of the unit of measurement shown.
4/ Corn including sorghum.
5/ Preliminary data, final data withheld to avoid disclosing figures for individual companies.

NA = Not available.

Source: U.S. Department of Commerce. Census of Manufactures, Industry Series, Grain Mill Products, MC 67(2)-20D and MC 72(2)-20D.

Table 2 .--Selected industry statistics, 1963, 1967, and 1972

Item	Establishments		All employees		Production workers			Value added by manufacture	Cost of materials, fuels, etc.	Value of industry shipments	Capital expenditures, new	End-of-year inventories
	Total	With 20 employees or more	Number	Payroll	Number	Man-hours	Wages					
	Number	Number	1,000	Mil. dol.	1,000	Mil.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
Flour and other grain mill products												
1963	618	218	22.4	137.7	16.4	38.4	94.9	373.1	1,804.0	2,176.5	23.5	232.2
1967	541	213	20.5	142.9	14.8	33.2	95.5	491.3	1,966.0	2,457.4	26.3	192.4
1972	457	181	16.1	152.8	11.9	26.9	108.1	509.8	1,885.2	2,380.0	30.0	211.3
Cereal breakfast foods												
1963	48	30	11.4	75.1	9.4	18.8	59.6	365.0	264.7	625.1	15.3	49.9
1967	45	28	12.2	93.8	10.1	20.2	71.9	473.3	322.7	793.0	18.4	54.7
1972	47	26	12.9	140.9	10.7	21.6	111.6	688.4	439.1	1,125.5	24.9	78.8
Rice milling												
1963	74	49	4.3	20.3	3.2	7.3	12.7	80.5	351.1	423.0	3.3	109.6
1967	68	46	4.2	24.4	3.2	7.2	15.0	103.8	447.2	548.4	9.8	123.0
1972	57	35	4.0	30.9	3.0	6.6	19.1	148.3	535.7	680.6	6.3	195.5
Blended and prepared flour												
1963	165	60	7.2	45.4	5.1	10.7	27.4	177.8	255.7	434.0	6.1	33.5
1967 1/	148	56	7.5	55.0	5.5	11.3	35.4	233.1	314.9	547.5	10.5	37.5
1972	137	57	7.9	74.9	5.7	12.3	53.2	306.8	401.7	704.6	13.7	47.6
Wet corn milling												
1963	60	20	13.2	89.7	9.8	20.9	65.3	290.9	335.8	622.4	26.1	65.5
1967	45	23	14.1	116.1	9.8	20.3	75.2	353.6	401.7	751.3	40.5	77.3
1972	41	27	12.1	137.7	8.4	17.1	88.6	331.2	498.7	832.3	59.7	82.8
Dog, cat, and other pet food 2/												
1972	221	112	14.3	135.1	11.0	24.0	96.3	513.8	794.5	1,401.9	61.1	90.3
Prepared feeds, N.E.C. 2/												
1972	2,120	653	44.0	340.5	27.7	60.6	188.6	1,100.5	3,948.8	5,037.1	70.8	268.1
Dog, cat, and other pet food; prepared feeds, N.E.C. 3/												
1963	2,590	711	54.6	278.7	34.6	75.7	159.1	983.7	2,903.6	3,880.1	53.4	231.4
1967	2,355	721	53.3	325.9	34.6	75.3	187.1	1,226.8	3,579.5	4,796.9	75.6	277.6
1972	2,341	765	58.3	475.6	38.7	84.6	284.9	1,714.3	4,743.3	6,439.0	131.9	358.4

1/ Data for 1967 exclude establishments producing self-rising, phosphated, and bromated flour which is now classified in the flour and other grain mill products industry. However, for 1963 data were included.

2/ Comparable data for prior years not available.

3/ Comparable data to SIC 2042, Prepared Feeds for Animals and Fowls, as classified in the 1967 edition of the Standard Industrial Classification

Source: U.S. Department of Commerce. 1972 Census of Manufactures, Industry Series MC 72(2)-20D Grain Mill Products, April 1975.

Table 3.--Quantity and value of shipments by all producers of blended and prepared flours, including refrigerated doughs, 1963, 1967, and 1972

Product	Total product shipments including interplant transfers					
	1963		1967		1972	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 cwt.	Mil. dol.	1,000 cwt.	Mil. dol.	1,000 cwt.	Mil. dol.
Blended and prepared flour, including refrigerated doughs, total	NA	505.1	NA	644.9	NA	796.1
Made chiefly from flour milled in the same establishment	NA	115.0	NA	148.6	NA	143.5
Made chiefly from purchased flour	NA	390.1	NA	496.3	NA	652.6
Pancake and waffle mixes	3,068	43.6	2,994	49.1	2,600	52.4
Cake mixes, including gingerbread	6,677	158.6	9,305	213.5	7,445	242.0
Biscuit mixes	1,315	22.6	1,121	19.7	664	11.3
Pie crust mixes	410	9.2	283	7.2	311	9.5
Cookie, doughnut, and other sweet yeast goods mixes	5,668	88.3	6,290	95.9	7,288	118.6
Bread and bread-type roll mixes	752	11.0	1,348	21.9	4,059	70.0
Other prepared flour mixes	2,613	48.5	3,504	67.6	4,275	70.3
Refrigerated doughs	6,279	106.5	9,262	140.0	7,384	180.3
Blended and prepared flour, not specified by kind	NA	16.8	NA	30.0	NA	42.1

NA = Not available

Source: U.S. Department of Commerce, Census of Manufactures Industry Series, Grain Mill Products, MC 67(2)-20D and MC 72(2)-20D.

Table 4.--Quantity and value of shipments by all producers of wheat flour, except flour mixes and wheat mill products other than flour, 1963, 1967, and 1972

Product	Total product shipments including interplant transfers					
	1963		1967		1972	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 cwt.	Mil. dol.	1,000 cwt.	Mil. dol.	1,000 cwt.	Mil. dol.
Wheat flour, except flour mixes	267,530	1,511.7	245,703	1,557.7	251,589	1,626.7
White flour:						
Export shipments			24,437	144.1	22,053	136.5
Domestic shipments						
Bakers' and institutional white bread-type			111,779	668.4	118,710	718.2
Bakers' and institutional soft wheat flour, including commercial bakery, restaurant, hospital, etc.			29,831	175.5	47,814	270.0
Family white flour, other than self rising	251,023	1,419.8	27,346	229.2	19,812	178.3
Family white flour, self rising			6,432	53.6	5,895	57.5
Flour for blending use in mixes refrigerated doughs, etc.			16,410	99.6	10,150	60.6
Flour for processing into other food products			537	3.0	1,070	6.4
Flour for use in non-food products			953	4.2	2,494	11.7
Other than white flour:						
Whole wheat	2,154	11.0	1,854	10.8	1,615	10.0
Durum flour and semolina	10,936	62.5	12,671	84.9	15,670	100.4
Other wheat flour, including farina	1,581	8.1	5,307	34.1	6,018	37.3
Wheat flour, except flour mixes, not specified by kind	1,836	10.3	8,146	50.3	1/288	39.8
	1,000 short tons	Mil. dol.	1,000 short tons	Mil. dol.	1,000 short tons	Mil. dol.
Wheat mill products other than flour	4,823	199.5	4,286	204.3	4,409	222.6
Wheat mill feed	4,823	199.5	4,242	201.3	4,249	205.6
Wheat germ			46	3.0	111	11.8
Wheat mill products other than flour, not specified by kind	2/	2/	2/	2/	49	5.2

1/ Quantity estimated based on the quantity-value relationship for other products in the product class.

2/ Not broken out by product code for these years.

Source: U.S. Department of Commerce. Census of Manufactures Industry Series, Grain Mill Products, MC 67(2)-20D and MC 72(2)-20D.

Table 5.--Value added by manufacture and fuels and electric energy used for heat and power by selected food and kindred products industries for 1963, 1967, and 1972, where available

Industry	Value added by manufacture			Change 1963-72	Fuels and electric energy used for heat and power (Kilowatt-hour equivalent) 2/			1967 ratio of value added by manufacture to kilowatt-hour equivalent
	1963 1/	1967 1/	1972 1/		1962	1967	1971	
	Million dollars			Percent	Billions			Percent
Food preparations, not elsewhere classified	905.8	1,107.5	1,494.4	65.0	NA	7.0	8.9	158
Cereal breakfast foods	389.1	473.3	569.9	46.5	NA	1.9	2.4	249
Rice milling	85.8	103.8	122.8	43.1	NA	NA	0.7	---
Dog, cat, and other pet food; prepared feeds, not elsewhere classified	1,048.7	1,226.8	1,419.1	35.3	NA	13.7	15.8	90
Blended and prepared flour	189.5	233.1	254.0	34.0	NA	NA	0.7	---
Distilled liquor, except brandy	664.9	736.7	847.6	27.5	NA	7.2	6.3	102
Macaroni and spaghetti	102.3	119.7	129.4	26.5	NA	NA	0.7	---
Cookies and crackers	668.4	741.6	843.5	26.2	NA	2.8	3.7	265
Malt beverages	1,371.0	1,545.7	1,650.3	20.4	NA	11.8	14.0	131
Bread, cake, and related products	2,562.7	2,753.0	2,922.2	14.0	NA	13.5	15.2	204
Flour and other grain mill products	397.8	491.3	422.0	6.1	NA	3.2	3/4.5	154
Malt	46.9	47.5	45.5	-3.0	NA	2.5	2.7	19
Wet corn milling	310.1	353.6	274.2	-11.6	NA	17.7	18.6	20

1/ Data have been adjusted using wholesale price index for processed foods and feeds, indicated years, where 1963 = 93.8, 1967 = 100, and 1972 = 120.8. Source: Department of Labor, Bureau of Labor Statistics.

2/ In order to provide figures on the basis of a comparable unit of energy used, data on fuels consumed were converted to kilowatt hour equivalent by the Census Bureau. The factors used to convert fuels to kilowatt-hours are reported in Fuels and Electric Energy Consumed, Special Report Series, MC 72(SR)-6S, supplement, September 1974 and MC 67(SR)-4 July 1968, Bureau of the Census.

3/ Estimated as data were withheld because the estimate did not meet publication standards by the Bureau of Census.

NA = Not available.

Table 6.--Wheat flour use in 1972 by consuming industries for which flour consumption is shown separately in the Census

Industry	Domestic wheat flour use 1972
	- - Thousand cwt. - -
Bread, cake, and related products	97,551
Cookies and crackers	24,375
Macaroni and spaghetti	1/13,284
Blended and prepared flour	11,931
Dog, cat, and other pet food Prepared feeds, N.E.C.	8,973
Flour and other grain mill products	7,726
Frozen specialities	5,645
Canned specialities	2,372
Cereal breakfast foods	2/1,728
Food preparations, N.E.C.	1,117
Pickles, sauces, and salad dressings	52
Frozen fruits and vegetables	42
Total flour use	174,796

1/ Includes 1,379 thousand cwts. of regular flour; otherwise semolina and durum flour.

2/ Preliminary data, final data withheld to avoid disclosing figures for individual companies.

Source: U.S. Department of Commerce. Census of Manufactures Industry Series, MC 72 (2)-20C, D, E, I, Table 7A.

TABLE 2 --WHEAT CLASSES: MARKETING YEAR SUPPLY AND DISAPPEARANCE, 1972-75 1/

YEAR BEGINNING JULY 1	SUPPLY			DISAPPEARANCE			ENDING STOCKS JUNE 30
	BEGINNING STOCKS	PRODUCTION	TOTAL 2/	DOMESTIC USE	EXPORTS 3/	TOTAL	
	MILLION BUSHELS						
1972/73							
HARD WINTER	471	761	1,232	327	704	1,031	201
RED WINTER	18	226	244	168	68	236	8
HARD SPRING	275	276	552	181	198	379	173
DURUM	69	73	142	40	65	105	37
WHITE	30	209	239	69	151	220	19
ALL CLASSES	863	1,545	2,409	785	1,186	1,971	438 4/
1973/74	201	957	1,158	301	731	1,032	126
HARD WINTER	8	159	167	133	25	158	9
RED WINTER	173	328	503	209	228	437	66
HARD SPRING	37	79	117	47	42	89	28
DURUM	19	182	202	62	122	184	18
WHITE							
ALL CLASSES	438 4/	1,705	2,147	752	1,148	1,900	247
1974/75 5/							
HARD WINTER	126	879	1,005	304	518	822	183
RED WINTER	9	290	299	137	144	281	18
HARD SPRING	66	290	357	159	130	289	68
DURUM	28	79	108	38	49	87	21
WHITE	18	255	273	45	198	243	30
ALL CLASSES	247	1,793	2,042	683	1,039	1,722	320
1975/76 6/							
HARD WINTER	183	1,052	1,235	274	735	1,009	226
RED WINTER	18	347	365	164	175	339	26
HARD SPRING	68	336	405	169	160	329	76
DURUM	21	121	142	40	60	100	42
WHITE	30	282	312	60	220	280	32
ALL CLASSES	320	2,138	2,459	707	1,350	2,057	402

1/ DATA, EXCEPT PRODUCTION, ARE APPROXIMATIONS; FORECASTED DISAPPEARANCE FIGURES SHOULD BE REGARDED AS THE MIDPOINT OF ESTIMATED RANGES 2/ TOTAL SUPPLY INCLUDES IMPORTS. 3/ IMPORTS AND EXPORTS INCLUDE FLOUR AND OTHER PRODUCTS IN WHEAT EQUIVALENTS. 4/ EXCLUDES AN ABNORMALLY LARGE VOLUME OF GRAIN IN TRANSIT. 5/ PRELIMINARY. 6/ FORECAST.

TABLE 3--WHEAT: MARKETING YEAR SUPPLY AND DISAPPEARANCE, QUARTERLY, 1966-70 AVERAGE AND ANNUAL 1971-75

YEAR AND QUARTERS BEGINNING JULY 1	SUPPLY				DISAPPEARANCE						ENDING STOCKS
					DOMESTIC USE						
	BEGINNING STOCKS	PRO-DUCTION	IMPORTS	TOTAL	FOOD 1/	SEED	FEED 2/	TOTAL	EXPORTS 1/	TOTAL DISAPPEAR-ANCE	
	MILLION BUSHELS										
1966-70 (AVG.)											
JULY-SEPT.	640	1,433	3/	2,073	132	27	76	235	172	407	1,666
OCT.-DEC.	1,666	---	3/	1,666	133	24	15	172	186	358	1,308
JAN.-MAR.	1,308	---	3/	1,308	130	3/	42	172	155	327	981
APR.-JUNE	981	---	1	982	121	15	1	137	166	303	679
MKT. YEAR	640	1,433	1	2,074	516	66	134	716	679	1,395	679
1971/72											
JULY-SEPT.	731	1,618	3/	2,349	136	24	152	312	164	476	1,873
OCT.-DEC.	1,873	---	3/	1,873	133	24	39	196	130	326	1,547
JAN.-MAR.	1,547	---	3/	1,547	130	3/	60	190	147	337	1,210
APR.-JUNE	1,210	---	1	1,211	127	15	15	157	191	348	863
MKT. YEAR	731	1,618	1	2,350	526	63	266	855	632	1,487	863
1972/73											
JULY-SEPT.	863	1,545	3/	2,408	133	24	168	325	213	538	1,870
OCT.-DEC.	1,870	---	3/	1,870	136	23	25	184	287	471	1,399
JAN.-MAR.	1,399	---	3/	1,399	132	1	30	163	309	472	927
APR.-JUNE	927	---	1	928	127	19	-33	113	377	490	438
MKT. YEAR	863	1,545	1	2,409	528	67	190	785	1,186	1,971	438
1973/74											
JULY-SEPT.	438	1,705	1	2,144	134	30	135	299	396	695	1,449
OCT.-DEC.	1,449	---	3/	1,449	140	29	13	182	340	522	927
JAN.-MAR.	927	---	3/	927	135	1	11	147	232	379	548
APR.-JUNE	548	---	3	551	119	24	-19	124	180	304	247
MKT. YEAR	438	1,705	4	2,147	528	84	140	752	1,148	1,900	247
1974/75 4/											
JULY-SEPT.	247	1,793	1	2,041	132	31	59	222	269	491	1,550
OCT.-DEC.	1,550	---	1	1,551	138	30	-1	167	283	450	1,101
JAN.-MAR.	1,101	---	3/	1,101	123	1	74	198	255	453	648
APR.-JUNE	648	---	3/	648	132	25	-61	96	232	328	320
MKT. YEAR	247	1,793	2	2,042	525	87	71	683	1,039	1,722	320
1975/76											
JULY-SEPT. 4/	320	2,138	1	2,459	144	31	63	238	347	585	1,874
OCT.-DEC.											
JAN.-MAR.											
APR.-JUNE											
MKT. YEAR 5/	320	2,138	1	2,459	530	87	102-77	719-694	1,300-1,400	2,019-2,094	440-365

1/ INCLUDES FLOUR, BULGAR, ROLLED WHEAT, SEMOLINA AND MACARONI IN WHEAT EQUIVALENTS; GRAIN EXPORTS ADJUSTED FOR TRANSHIPMENT THROUGH CANADA. 2/ RESIDUAL; APPROXIMATES FEED USE AND INCLUDES NEGLIGIBLE QUANTITIES USED FOR DISTILLED SPIRITS AND BEER. 3/ LESS THAN 500,000 BUSHELS. 4/ PRELIMINARY. 5/ FORECAST.

Table 4 .--Wheat: Current indicators of export movement, by program, coastal area and class of wheat, July-September 1974 and 1975

Period, program, and coastal area	Wheat (grain only)-Inspections for export 1/						
	Hard winter	Red winter	Hard spring	Durum	White	Mixed	Total
	- - - - Million bushels - - - -						
July-September 1974							
Dollars	113.4	70.3	25.9	5.4	41.3	3.3	259.6
CCC Credit	1.3	---	---	---	---	---	1.3
Commercial	114.7	70.3	25.9	5.4	41.3	3.3	260.9
P.L. 480	.4	---	---	---	---	---	.4
Total	115.1	70.3	25.9	5.4	41.3	3.3	261.3
July-September 1975							
Dollars	158.0	45.6	47.2	14.4	43.6	---	308.8
CCC Credit	.8	---	---	---	---	---	.8
Commercial	158.8	45.6	47.2	14.4	43.6	---	309.6
P.L. 480	5.2	7.0	---	---	3.0	---	15.2
Total	164.0	52.6	47.2	14.4	46.6	---	324.8
July-September 1974							
Coastal areas:							
Great Lakes	---	.6	5.5	5.4	---	---	11.5
Atlantic	---	33.3	---	---	1.3	---	34.6
Gulf	89.0	36.2	7.4	---	---	---	132.6
Pacific	26.1	.2	13.0	2/	40.0	3.3	82.6
Total	115.1	70.3	25.9	5.4	41.3	3.3	261.3
July-September 1975							
Coastal areas:							
Great Lakes	---	1.4	25.1	10.4	1.9	---	38.8
Atlantic	---	20.0	---	---	2.4	---	22.4
Gulf	123.0	31.2	9.5	3.8	---	---	167.5
Pacific	41.0	---	12.6	.2	42.3	---	96.1
Total	164.0	52.6	47.2	14.4	46.6	---	324.8

1/ Based on weekly reports of inspections for export. Does not include rail or truck movement to Canada or Mexico. 2/ Less than 50,000 bushels.

Agricultural Marketing Service, Grain Division.

Table 5 .--Wheat: Cash prices for leading classes at major markets, 1974-75 1/

Major Market and Year	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Simple average
	- - - - Dollars per bushel - - - -												
No. 1 HRW, Kansas City													
Ordinary protein													
1974/75	4.36	4.33	4.35	4.94	4.88	4.66	4.15	3.93	3.69	3.66	3.34	3.23	4.13
1975/76	3.61	4.12	4.21	4.09									
13% protein													
1974/75	4.78	4.74	4.85	5.47	5.36	5.15	4.64	4.31	4.08	4.07	3.77	3.81	4.59
1975/76	4.10	4.45	4.55	4.46									
No. 2 SRW, Chicago													
1974/75	4.40	4.34	4.41	5.03	4.86	4.60	4.02	3.84	3.62	3.63	3.25	3.03	4.09
1975/76	3.42	3.82	4.06	3.84									
No. 2 SRW, St. Louis													
1974/75	4.35	4.24	4.36	4.86	4.70	4.57	4.04	3.86	3.68	3.58	3.20	2.94	4.03
1975/76	3.29	3.71	3.76	3.63									
No. 2 SRW, Toledo													
1974/75	4.29	4.28	4.33	4.93	4.81	4.59	4.00	3.83	3.60	3.52	3.07	2.96	4.02
1975/76	3.27	3.71	3.86	3.69									
No. 2 SW, Toledo													
1974/75	4.24	4.22	4.22	4.78	4.63	4.44	3.85	3.67	3.44	3.37	2.95	2.85	3.89
1975/76	3.21	3.62	3.78	3.60									
No. 1 SW, Portland													
1974/75	4.66	4.57	4.57	5.17	5.16	5.06	4.45	4.15	3.94	3.88	3.48	3.33	4.37
1975/76	3.79	4.27	4.39	4.23									
No. 1 DK. NS, Minneapolis													
Ordinary protein													
1974/75	4.76	4.65	4.62	5.25	5.42	5.06	4.39	4.12	4.05	4.03	3.96	3.73	4.50
1975/76	3.93	4.23	4.12	3.94									
15% protein													
1974/75	5.36	5.07	5.20	5.63	5.62	5.38	4.80	4.49	4.53	4.56	4.43	4.30	4.94
1975/76	4.69	4.90	5.12	5.03									
Hard amber durum, Mpls.													
1974/75	7.17	6.66	6.70	7.17	7.16	6.61	5.98	6.08	5.87	6.33	6.23	5.27	6.44
1975/76	5.51	6.14	6.15	5.77									

1/ On-track prices established at the close of the market.

Table 6.--Wheat: Farm price, loan rate per bushel and price for equivalent quantity of major feed grain in region, 1974-75 1/

Item	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Simple average	Support rate
	- - - - Price for 60 pounds (bushel weight of wheat) - - - -													
Central and So. Plains (Hd. winter) 2/														
Wheat 1974/75	3.92	3.91	3.97	4.52	4.50	4.41	3.96	3.71	3.33	3.32	3.01	2.81	3.78	1.32
Sorghum 1974/75	2.42	3.11	3.14	3.38	3.44	3.14	2.92	2.51	2.41	2.47	2.50	2.50	2.83	1.10
Wheat 1975/76	3.31	3.63	3.78	3.72										1.32
Sorghum 1975/76	2.55	2.82	2.69	2.64										1.10
Cornbelt (Soft red winter) 3/														
Wheat 1974/75	4.00	4.02	4.00	4.58	4.44	4.28	3.86	3.71	3.32	3.28	2.92	2.71	3.76	1.39
Corn 1974/75	3.18	3.69	3.55	3.73	3.57	3.53	3.32	3.07	2.89	2.87	2.81	2.87	3.26	1.34
Wheat 1975/76	3.18	3.47	3.60	3.52										1.41
Corn 1975/76	2.91	3.15	2.92	2.75										1.24
East and South (Soft red winter) 4/														
Wheat 1974/75	3.72	3.86	3.83	4.14	4.14	3.99	3.76	3.52	3.26	3.26	2.99	2.70	3.60	1.38
Corn 1974/75	3.21	3.71	3.62	3.72	3.67	3.62	3.51	3.32	3.07	3.11	3.03	3.00	3.38	1.35
Wheat 1975/76	2.97	3.30	3.48	3.49										1.38
Corn 1975/76	3.04	3.21	3.02	2.96										1.34
Northern Plains (Spring and durum) 5/														
Wheat 1974/75	4.80	4.64	4.66	5.16	5.33	4.99	4.48	4.27	4.04	4.18	4.01	3.74	4.52	1.39
Barley 1974/75	2.96	3.42	3.55	4.04	4.44	4.22	4.11	3.89	3.34	3.55	3.51	3.00	3.67	1.00
Wheat 1975/76	4.12	4.41	4.52	4.41										1.38
Barley 1975/76	3.04	3.15	3.68	3.58										1.00
Pacific Northwest (White) 6/														
Wheat 1974/75	4.24	4.21	4.21	4.78	4.78	4.63	4.25	3.97	3.53	3.52	3.17	2.98	4.02	1.41
Barley 1974/75	3.04	3.61	3.69	3.85	4.25	4.14	3.94	3.46	2.99	3.20	3.12	3.01	3.53	1.26
Wheat 1975/76	3.48	3.88	3.99	3.91										1.42
Barley 1975/76	2.94	3.27	3.42	3.24										1.26
U.S. Average														
Wheat 1974/75	4.04	4.24	4.32	4.85	4.87	4.65	4.11	3.95	3.65	3.69	3.47	2.92	7/4.04	1.37
Wheat 1975/76	3.33	3.89	4.11	4.02										1.37

1/ Simple averages with no adjustment made for relative feed value. Relative feeding value: Corn 1.00; wheat 1.05; barley .90; sorghum .95; reported in Consumption of Feed by Livestock, Production Research Report No. 79, ERS, USDA. 2/ Kansas, Nebraska, Texas, Oklahoma, and Colorado. 3/ Ohio, Indiana, Illinois, and Missouri. 4/ Pennsylvania, Maryland, Virginia, North Carolina, South Carolina, Georgia, Mississippi, Alabama, Louisiana, and Arkansas. 5/ North Dakota, South Dakota, and Minnesota. 6/ Washington, Oregon, and Idaho. 7/ Season average price including allowance for unredeemed loans and purchases by CCC.

Table 7 .--White pan bread: Estimated retail and wholesale price of a 1-pound loaf; retailer's, wholesaler's, miller's, and other spreads, farm value of ingredients; flour and wheat prices and related data, July-September 1975 and previous 4 quarters

Item	Unit	1974		1975					
		III	IV	I	II	July	Aug.	Sept.	III
Retail price 1/	Cents per loaf	34.7	35.9	37.3	36.2	35.6	35.1	35.0	35.2
Retail spread 2/	"	5.6	5.7	5.6	4.7	4.1	4.1	4.0	4.0
Wholesale price 3/	"	29.1	30.2	31.7	31.5	31.5	31.0	31.0	31.2
Baker-wholesaler spread 4/	"	18.2	17.6	20.7	21.9	21.5	20.5	20.7	20.9
Cost to baker									
All ingredients 5/	"	10.9	12.6	11.0	9.6	10.0	10.5	10.3	10.3
Flour 6/	"	7.1	7.7	6.5	5.9	6.3	6.7	7.0	6.7
Mill sales value of flour 6/	"	6.7	7.3	6.0	5.5	5.9	6.3	6.5	6.2
Miller's flour spread 7/	"	0.9	1.0	0.6	0.5	0.5	0.7	0.8	0.6
Cost of wheat to miller 8/	"	5.8	6.3	5.4	5.0	5.4	5.6	5.7	5.6
Other spreads 9/	"	2.4	2.7	2.9	2.9	2.7	2.5	2.4	2.5
Farm value									
All ingredients 10/	"	7.6	8.9	7.5	6.2	6.7	7.3	7.1	7.0
Wheat 11/	"	5.1	5.7	4.7	4.0	4.3	4.9	5.0	4.7
Flour prices 12/									
F.o.b. mill	Dol. per cwt.	10.53	11.45	9.57	8.73	9.22	9.93	10.35	9.83
Delivered to bakers	"	11.13	12.15	10.21	9.38	9.95	10.65	11.03	10.54
Flour sales 12/									
Sold in bags	Percent	17	19	20	17	16	13	19	16
Price differential for bags	Cents per cwt.	28	32	34	35	35	31	33	33
Wheat prices *									
Farm delivery point 13/	Dol. per bu.	4.12	4.67	3.80	3.27	3.44	3.86	3.99	3.76
Delivered to millers	"	4.72	5.16	4.39	4.07	4.30	4.41	4.57	4.44

1/ Based on prices reported by Bureau of Labor Statistics. 2/ Spread between retail and wholesale prices. 3/ Estimated from BLS prices and trade data. 4/ Spread between wholesale price and cost to baker of all ingredients. 5/ Cost of flour plus shortening, nonfat dry milk, sugar and other minor nonfarm produced ingredients. 6/ Cost or sales value of flour (0.6329 lb.) used per pound of bread. 7/ Spread between mill sales value of flour and cost of wheat to miller. 8/ Cost of wheat (.01445 bu.), net of imputed cost of wheat chargeable to millfeed byproducts. 9/ Charges for transporting, handling, processing ingredients other than flour and cost of nonfarm produced ingredients such as yeast, salt, and malt extract. This spread is a residual figure. 10/ Returns to farmers for wheat, shortening, nonfat dry milk, and sugar used in a 1-pound loaf. 11/ Returns to farmers for wheat, net of imputed cost of wheat chargeable to millfeed byproducts. 12/ Based on monthly sales and prices of bread-type flour reported by a sample of flour milling firms. 13/ Weighted average for hard winter and spring wheat in the 10 major wheat producing States.

*Wheat and flour prices do not include allowance for marketing certificate since July 1, 1973, effective date of repeal.

Note: Price spreads may not add due to rounding.

Commodity Economics Division, ERS.

Table 3 .--Wheat and flour: Price relationships at milling centers annual and by quarters, 1972-75

Year and month	At Kansas City: Cost of wheat to produce 100 lb. of flour 1/	At Kansas City: Wholesale price of- Bakery flour per 100 lb. 2/	At Kansas City: Wholesale price of- Byproducts obtained 100 lb. flour 3/	At Kansas City: Wholesale price of- Total products: Actual	At Kansas City: Wholesale price of- Total products: Over cost of wheat	At Minneapolis: Cost of wheat to produce 100 lb. of flour 1/	At Minneapolis: Wholesale price of- Bakery flour per 100 lb. 2/	At Minneapolis: Wholesale price of- Byproducts obtained 100 lb. flour 3/	At Minneapolis: Wholesale price of- Total products: Actual	At Minneapolis: Wholesale price of- Total products: Over cost of wheat
	- - - - Dollars - - - -									
1972/73										
July-Sept.	6.06	5.99	.81	6.80	.74	5.97	6.48	.76	7.24	1.27
Oct.-Dec.	7.15	6.80	1.19	7.99	.84	6.82	7.14	1.13	8.27	1.45
Jan.-Mar.	7.50	7.02	1.27	8.29	.79	7.05	7.34	1.22	8.56	1.51
Apr.-June	7.82	7.31	1.19	8.50	.68	7.55	7.51	1.19	8.70	1.15
Season average	7.13	6.78	1.11	7.89	.76	6.85	7.12	1.07	8.19	1.34
1973/74										
July-Sept.	9.76	9.13	1.54	10.67	.91	9.36	9.54	1.50	11.04	1.68
Oct.-Dec.	11.18	10.35	1.85	12.20	1.02	10.57	10.55	1.77	12.32	1.75
Jan.-Mar.	12.67	12.85	1.65	14.50	1.83	12.64	13.00	1.59	14.59	1.95
Apr.-June	9.48	9.54	1.41	10.95	1.47	10.16	10.33	1.38	11.71	1.55
Season average	10.77	10.47	1.61	12.08	1.31	10.68	10.85	1.56	12.41	1.73
1974/75										
July-Sept.	10.92	10.40	1.77	12.17	1.25	11.52	11.65	1.77	13.42	1.90
Oct.-Dec.	12.14	11.45	1.89	13.34	1.20	12.46	12.57	1.85	14.42	1.96
Jan.-Mar.	9.90	9.83	1.51	11.34	1.44	10.19	10.97	1.45	12.42	2.23
Apr.-June	8.86	8.54	1.40	9.94	1.08	9.88	9.92	1.42	11.34	1.46
Season average	10.46	10.06	1.64	11.70	1.24	11.01	11.28	1.62	12.90	1.89
1975/76										
July-Sept. 4/	9.95	9.50	1.50	11.00	1.05	10.68	10.65	1.46	12.11	1.43
Oct.-Dec.										
Jan.-Mar.										
Apr.-June										
Season average										

1/ Based on 73 percent extraction rate, cost of 2.28 bushels: At Kansas City, No. 1 Hard Winter, 13 percent protein, and at Minneapolis, No. 1 Dark Northern Spring, simple average of 13 percent and 15 percent protein. Beginning July 1973 excludes domestic certificate. 2/ Quoted as 95 percent patent at Kansas City and standard patent at Minneapolis, bulk basis. 3/ Assumed 50-50 millfeed distribution between bran and shorts or middlings, bulk basis. 4/ Preliminary.

Compiled from reports of Agricultural Marketing Service and Bureau of Labor Statistics, Department of Labor.

Table 9 .--Cereal and bakery products: Retail price index, 1965-75

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
	(Index 1967 = 100)												
1965	93.8	93.4	93.6	93.7	93.5	93.7	93.8	93.8	93.9	93.9	94.0	94.7	93.8
1966	95.4	95.5	95.9	96.3	96.5	96.8	96.9	99.0	99.9	99.8	100.1	100.3	97.7
1967	100.3	100.0	100.1	100.0	100.3	99.8	99.7	99.9	99.9	99.7	99.9	99.9	100.0
1968	99.8	99.7	99.7	99.8	99.9	100.1	100.6	100.9	101.1	101.1	101.4	101.4	100.4
1969	101.7	101.9	102.3	102.4	102.6	103.0	103.5	103.5	103.8	104.4	104.7	105.4	103.3
1970	105.9	106.6	107.2	107.7	108.0	108.2	108.7	109.8	110.2	111.0	111.2	111.6	108.9
1971	112.4	112.8	113.0	113.9	114.1	114.2	114.8	114.5	114.6	114.3	114.1	113.8	113.9
1972	113.7	114.3	114.8	115.0	114.7	114.5	114.4	114.4	114.6	114.6	115.0	115.8	114.7
1973	116.3	117.8	119.0	120.2	122.1	123.0	123.5	124.7	132.4	139.0	145.8	148.5	127.7
1974	149.7	154.4	158.6	161.4	164.3	165.3	166.7	168.2	170.4	174.7	177.6	181.7	166.1
1975	185.3	187.3	189.1	188.9	187.0	185.2	184.6	182.6	181.6				

Bureau of Labor Statistics, U.S. Department of Labor.

Table 10.--Wheat: Monthly average export prices at selected ports, 1973-75 1/

Year	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Simple average
	- - - - Cents per bushel - - - -												
	GULF PORTS: NO. 2 HARD RED WINTER, ORDINARY PROTEIN												
1973/74	320	493	524	489	495	543	588	603	529	430	382	428	485
1974/75	460	456	464	523	511	506	447	417	400	390	359	346	440
1975/76	395	443	450	439									
	BALTIMORE: NO. 1 SOFT RED WINTER												
1973/74	322	488	516	481	483	2/	2/	2/	2/	2/	2/	456	458
1974/75	452	447	458	523	2/	485	427	407	385	376	330	319	419
1975/76	358	406	412	392									
	PORTLAND: NO. 2 WESTERN WHITE												
1973/74	363	528	557	536	512	551	601	628	557	443	390	447	509
1974/75	479	466	468	533	522	514	459	421	399	393	356	343	446
1975/76	382	442	448	430									
	DULUTH: NO. 2 NORTHERN SPRING, 14% PROTEIN												
1973/74	318	468	495	452	454	557	608	636	527	438	417	503	489
1974/75	526	503	512	569	560	560	2/	2/	437	436	442	426	497
1975/76	456	489	494	477									

1/ As of April 1, 1974 regulations covering export subsidy payments (GS 345-346-359) were revoked.

2/ No price quotes available.

Source: Grain Market News.

Table 11.--Wheat: Price support activity, cumulative, by months, 1971-75 crops 1/

Item	Unit	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
1971													
Placed under loan 2/	Mil. bu.	77	134	252	318	343	359	409	420	427	434	437	438
Redeemed by farmers	"	---	---	6	14	27	44	71	91	135	182	207	227
Net under loan	"	77	134	246	304	316	315	338	329	292	252	230	211
Price above or below loan ($1.25)	Dol.	.09	.03	.01	.05	.06	.09	.08	.09	.09	.11	.13	.08
1972													
Placed under loan 2/	Mil. bu.	59	78	104	122	130	135	141	142	143	143	143	143
Redeemed by farmers	"	---	---	39	45	51	61	78	87	97	106	119	128
Net under loan	"	59	78	65	77	79	74	63	55	46	37	24	15
Price above or below loan ($1.25)	Dol.	.07	.26	.48	.64	.72	1.13	1.13	.72	.81	.90	.90	1.18
1973													
Placed under loan 2/	Mil. bu.	32	42	51	55	58	60	60	60	60	60	60	60
Redeemed by farmers	"	3	14	18	21	25	32	56	58	59	60	60	60
Net under loan	"	29	28	33	34	33	28	4	2	1	3/	3/	3/
Price above or below loan ($1.25)	Dol.	1.22	3.20	3.37	2.97	2.95	3.53	4.04	4.27	3.71	2.73	2.27	2.32
1974													
Placed under loan 2/	Mil. bu.	14	22	29	31	32	34	35	36	36	36	36	36
Redeemed by farmers	"	3/	2	4	8	11	13	17	19	22	26	32	35
Net under loan	"	14	20	25	23	21	21	18	17	14	10	4	1
Price above or below loan ($1.37)	Dol.	2.67	2.87	2.95	3.48	3.50	3.28	2.74	2.58	2.28	2.32	2.10	1.55
1975													
Placed under loan 2/	Mil. bu.	12	16	18									
Redeemed by farmers	"	3/	3	4									
Net under loan	"	12	13	14									
Price above or below loan ($1.37)	Dol.	1.96	2.52	2.74									

1/ Based on operating reports.
2/ Includes direct purchases.
3/ Less than 500,000 bushels.

Table 12.--Wheat: CCC operations, stock ownership, sales and dispositions at specified dates 1974-75 1/

Item	Price Support Operations		
	1974 crop as of		1975 crop as of September 30, 1975
	September 30, 1974	June 30, 1975	
	- - - - Million bushels - - - -		
Loans made	28.8	36.5	18.8
Loan repayments	3.9	35.5	4.4
Deliveries	---	---	---
Remaining under current loan	24.9	1.0	14.4
	Stock Ownership		
	- - - - Million bushels - - - -		
CCC	12.5	1.3	.3
Reseal loan	---	---	---
Remaining under current loan	24.9	1.0	14.4
Total CCC and loans outstanding	37.4	2.3	14.7
Privately held ("free") stocks	1,512.7	317.8	1,858.9
Total stocks all positions	1,550.1	320.1	1,873.6
	Sales and Dispositions 2/		
	July-September 1974	July-June 1974/75	July-September 1975
	- - - - Million bushels - - - -		
Statuatory minimum price 3/	6.8	9.1	---
Domestic	.4	1.0	---
Export Donations	.3	3.3	---
Total sales and dispositions	7.5	13.4	---

1/ July-September based on current operating reports, annual taken from fiscal reports.

2/ Data on CCC sales and disposition will be deleted from future reports pending further significant acquisition or sales activity.

3/ Sales for unrestricted use at the minimum price, which is the market price or not less than the formula prices at designated terminals, or outside of designated terminals, plus monthly markups.

Agricultural Stabilization and Conservation Service.

Table 13.--Wheat: Effective allotment, by States, 1975-76 1/

State	1975 National wheat allotment	1976 National wheat allotment
	- - - - Acres - - - -	
Alabama	43,441	50,040
Arizona	33,267	37,418
Arkansas	116,358	134,128
California	319,326	364,356
Colorado	2,508,715	2,885,129
Connecticut	186	211
Delaware	20,080	23,135
Florida	15,430	17,478
Georgia	95,078	108,470
Idaho	1,149,191	1,324,718
Illinois	1,504,043	1,733,071
Indiana	1,075,690	1,238,110
Iowa	95,005	109,536
Kansas	10,538,594	12,141,491
Kentucky	183,198	210,893
Louisiana	31,981	36,888
Maine	149	172
Maryland	109,359	125,610
Massachusetts	93	107
Michigan	915,823	1,046,480
Minnesota	957,785	1,103,925
Mississippi	50,738	58,292
Missouri	1,323,700	1,522,916
Montana	3,915,032	4,514,361
Nebraska	3,083,087	3,554,489
Nevada	13,046	14,911
New Jersey	34,563	39,578
New Mexico	450,670	518,648
New York	235,222	269,222
North Carolina	318,519	362,543
North Dakota	7,385,172	8,516,781
Ohio	1,332,045	1,525,428
Oklahoma	4,809,426	5,538,615
Oregon	802,742	921,940
Pennsylvania	367,890	422,503
Rhode Island	15	17
South Carolina	138,304	157,570
South Dakota	2,724,687	3,142,009
Tennessee	133,006	151,847
Texas	3,939,347	4,531,599
Utah	273,519	315,523
Vermont	295	340
Virginia	191,792	220,256
Washington	1,954,381	2,256,118
West Virginia	15,926	18,314
Wisconsin	38,791	44,588
Wyoming	252,035	290,226
Total allotment 2/	53,496,742	61,600,000

1/ Includes an allowance for small farms.

2/ Represents the acreage needed with average yields to produce enough wheat for estimated domestic use and exports.

Table 14--Wheat and Flour: U.S. exports by country of destination, fiscal years, 1974-75

Destination	July-June 1973-74 Wheat 1/	Flour 2/	Total		July-June 1974-75 Wheat 1/	Flour 2/	Total	
	1,000 BU	1,000 BU	1,000 BU	1,000 MT	1,000 BU	1,000 BU	1,000 BU	1,000 MT
Western Hemisphere:								
Canada	3/	20	20	1	3/	2/	2/	1
Mexico	25,850	21	25,871	704	30,539	15	30,554	832
Costa Rica	2,043	24	2,067	56	2,059	28	2,087	57
El Salvador	2,370	26	2,396	65	2,226	17	2,243	61
Guatemala	1,740	108	1,848	50	2,825	93	2,918	79
Other Central America	4,220	490	4,710	128	5,392	538	5,930	161
Dominican Republic	3,840	90	3,930	107	3,729	37	3,766	102
Haiti	1,073	125	1,198	33	2,098	73	2,171	59
Jamaica	2,133	1,462	3,595	98	1,800	1,379	3,179	87
Trinidad and Tobago	2,243	267	2,510	68	3,404	34	3,438	93
Other Bermuda and Caribbean	417	738	1,155	31	539	121	660	18
Argentina	18,111	--	18,111	493	--	--	--	--
Bolivia	1,765	1,549	3,314	90	979	1,337	2,316	63
Brazil	57,019	285	57,304	1,560	21,548	368	21,916	596
Chile	21,752	286	22,038	600	18,628	342	18,970	516
Colombia	14,839	2,495	17,334	472	11,693	531	12,224	333
Ecuador	5,372	192	5,564	151	4,557	182	4,739	129
Guyana	1,875	44	1,919	52	1,745	209	1,954	53
Peru	17,660	333	17,993	490	22,886	175	23,061	628
Surinam	372	325	697	19	337	201	538	15
Uruguay	--	--	--	--	--	--	--	--
Venezuela	22,266	32	22,928	607	24,044	8	24,052	655
Other South America	--	25	25	1	--	9	9	4/
Total	206,960	8,937	215,897	5,876	161,028	5,718	166,746	4,538
Western Europe:								
EC:								
Belgium-Luxembourg	6,376	--	6,376	174	5,650	1	5,651	154
Denmark	--	1	1	4/	--	--	--	--
France	4,693	--	4,693	128	8,467	--	8,467	230
Germany, West	8,284	1	8,285	225	7,565	1	7,566	206
Ireland	--	--	--	--	--	--	--	--
Italy	17,429	--	17,429	474	16,013	--	16,013	436
Netherlands	31,555	317	31,872	867	30,986	141	31,127	847
United Kingdom	22,377	--	22,377	609	10,463	--	10,463	285
Total	90,714	319	91,033	2,477	79,144	143	79,287	2,158
Other West Europe:								
Iceland	--	581	581	16	--	274	274	7
Norway	3,707	6	3,713	101	146	1	147	4
Portugal	7,560	8	7,568	206	11,696	2	11,698	318
Spain	790	--	790	21	1,139	--	1,139	31
Switzerland	4,103	--	4,103	112	2,133	--	2,133	58
Others	8,624	86	8,710	237	--	10	10	4/
Total	24,784	681	25,465	693	15,114	287	15,401	418
Total West Europe:	115,498	1,000	116,498	3,170	94,258	430	94,688	2,576
Eastern Europe:								
Poland	18,698	--	18,698	509	1,927	--	1,927	52
Romania	--	--	--	--	--	--	--	--
Yugoslavia	12,562	6	12,568	342	2,642	--	2,642	72
Others	--	--	--	--	--	--	--	--
Total	31,260	6	31,266	851	4,569	--	4,569	124
Total Europe	146,758	1,006	147,764	4,021	98,827	430	99,257	2,700
U.S.S.R.:	100,138	--	100,138	2,725	35,937	--	35,937	978
Asia:								
Bangladesh	26,819	1	26,820	730	28,942	101	29,043	790
China, Peoples Republic of	117,222	--	117,222	3,190	54,961	--	54,961	1,496
China, Republic of (Taiwan)	31,192	6	31,198	849	13,431	67	13,498	367
Cyprus	2,073	15	2,088	57	--	52	52	1
Hong Kong	2,732	68	2,800	76	2,645	65	2,710	74
India	59,330	191	59,521	1,620	157,691	303	159,994	4,300
Indonesia	11,415	151	11,566	315	3,581	38	3,619	98
Iran	21,470	4	21,474	584	63,755	3	63,758	1,735
Israel	14,969	1,517	16,486	449	12,087	292	12,379	337
Japan	112,145	4	112,149	3,052	113,135	--	113,135	3,079
Jordan	2,167	452	2,619	71	3,255	231	3,486	95
Khmer Republic	906	--	906	25	--	5	5	4/
Korea, Republic of	57,168	1,423	58,591	1,595	62,859	827	63,686	1,733
Lebanon	3,176	2,266	5,442	148	3,300	179	3,479	95
Nansei and Nanpo Islands	--	--	--	--	--	--	--	--
Pakistan	19,823	198	20,021	544	32,502	--	32,502	885
Philippines	12,893	1,236	14,129	385	11,264	595	11,859	323
Saudi Arabia	610	5,058	5,668	154	--	10,559	10,559	287
Sri Lanka	--	3,450	3,450	94	--	4,001	4,001	109
Syrian Arab Republic	--	--	--	--	3,334	--	3,334	91
Turkey	11,685	400	12,085	329	24,367	419	24,786	675
Vietnam, South	4,368	--	4,368	119	1,511	66	1,577	43
Others	23,594	723	24,317	662	20,007	387	20,394	555
Total	535,757	17,163	552,920	15,048	612,627	18,190	630,817	17,168
Africa:								
Algeria	38,419	--	38,419	1,046	25,784	568	26,352	717
Egypt	26,038	3,278	29,316	798	27,175	380	27,555	750
Ghana	1,740	1	1,741	47	1,298	244	1,542	42
Guinea	--	262	262	7	--	422	422	11
Morocco	18,715	2,484	21,199	577	14,863	1,897	16,760	456
Nigeria	13,503	23	13,526	368	9,744	96	9,840	268
South Africa, n.e.c.	333	39	372	10	--	32	32	1
Sierra Leone	1,206	12	1,218	33	525	--	525	14
Tunisia	4,586	475	5,061	138	6,035	479	6,514	177
Zaire	1,695	--	1,695	46	2,054	--	2,054	56
Others	10,504	995	11,499	313	4,692	561	5,253	143
Total	116,739	7,569	124,308	3,383	92,170	4,679	96,849	2,635
Oceania:	1	186	187	5	516	114	630	17
World Total:	1,106,353	34,861	1,141,214	31,058	1,001,105	29,131	1,030,236	28,036
Other Products:	7,900	--	7,900	215	10,617	--	10,617	289
Grand Total:	1,114,253	34,861	1,149,114	31,273	1,011,722	29,131	1,040,853	28,325

1/ Data includes shipments for relief. 2/ Grain equivalent. 3/ Data for individual destinations have been adjusted for transhipments through Canadian ports. Transhipments to East Europe via the Netherlands and West Germany however have not been included. 4/ Less than 500 metric tons.

Table 15.--Wheat and flour (wheat equivalent): Exports by type of destination and program, United States, annual 1969-74

Program	Year beginning July					
	1969	1970	1971	1972	1973	1974 1/
	- - - - 1,000 bushels - - - -					
Commercial						
Cash and CCC Credit 2/	276,807	401,715	315,477	991,411	1,084,117	911,250
Barter	60,047	91,896	79,413	58,020	87	---
Total	336,854	493,611	394,890	1,049,431	1,084,204	911,250
PL 480						
Long-term credit						
Foreign currency	69,447	46,970	22,686	---	---	---
Dollars	154,697	144,056	153,593	88,484	26,355	102,028
Total	224,144	191,026	176,279	88,484	26,355	102,028
Donations						
Government	33,663	33,395	43,199	27,493	5,851	2,718
World food	---	---	---	8,412	6,768	6,715
Voluntary relief	11,423	18,537	17,417	12,559	14,083	16,574
Total	45,086	51,932	60,616	48,464	26,702	26,007
Other 3/	---	966	754	-86	11,106	---
Total exports 4/	606,084	737,535	632,539	1,186,293	1,148,367	1,039,285

1/ Preliminary.

2/ Unassisted sales as well as those with government assistance in the form of (1) export payments in cash and (2) extension of credit and credit guarantees for relatively short periods.

3/ Agency for International Development and predecessor agencies. Includes various country relief programs authorized by Congress.

4/ Includes bulgar, rolled wheat, meal and groats, wheat flour, semolina, and macaroni products in terms of wheat. This data is also adjusted for transhipments of United States wheat through Canada.

Foreign Development and Trade Division, ERS.

Table 16.--Wheat: Supply and disappearance, United States, Canada, Australia, and Argentina, average 1960-64 and 1965-69, annual 1972-75

Crop year	Supply			Disappearance	
	Beginning carryover 1/	Production	Total 2/	Domestic	Exports including flour
	- - - - Million bushels - - - -				
Year beginning July 1	United States				
Average					
1960-64	1,228	1,222	2,455	605	721
1965-69	626	1,426	2,054	709	705
1972	863	1,545	2,409	785	1,186
1973	438	1,705	2,147	752	1,148
1974 3/	247	1,793	2,042	683	1,039
1975 4/	320	2,138	2,459	719-694	1,300 -1,400
Year beginning August 1	Canada				
Average					
1960-64	509	538	1,047	149	406
1965-69	604	678	1,282	162	417
1972	584	533	1,117	175	577
1973	365	594	959	169	419
1974 3/	371	489	860	177	395
1975 4/	288	625	913	178	477
Year beginning December 1	Australia				
Average					
1960-64	29	305	334	78	234
1965-69	88	387	475	97	242
1972	58	236	294	116	158
1973	20	437	457	136	249
1974 3/	72	413	485	117	325
1975 4/	43	404	447	118	312
Year beginning December 1	Argentina				
Average					
1960-64	36	263	299	135	113
1965-69	37	238	279	152	109
1972	14	254	284	157	117
1973	10	241	251	156	57
1974 3/	38	211	249	162	55
1975 4/	32	283	315	163	134

1/ From previous crops for the U.S. and Canada farm stocks are included; net changes in farm stocks for Australia and Argentina are reflected in domestic disappearance.
2/ Total supply includes imports.
3/ Preliminary.
4/ Estimated.

Compiled from records of Foreign Agricultural Service, Grain and Feed Division.

Table 17.--Wheat and Wheat Flour: World trade, production, stocks and consumption for 1972/73, 1973/74, 1974/75, and projected levels for 1975/76, years beginning July 1

Country or region	1972/73	1973/74	1974/75	Projected for 1975/76 As of Oct. 7	Projected for 1975/76 As of Oct. 31
	- - - - Million metric tons - - - -				
Exports:					
Canada	15.6	11.7	11.1	13.0	13.0
Australia	5.6	5.3	8.2	8.7	8.7
Argentina	3.4	1.1	2.2	2.8	2.8
Sub-total	24.6	18.1	21.5	24.5	24.5
W. Europe	12.2	12.4	13.0	12.3	12.5
(Excluding intra EC-9)	(6.9)	(5.9)	(9.3)	(7.7)	(7.9)
USSR	1.3	5.0	4.0	1.5	0.5
All Others	2.8	2.1	1.5	1.0	1.0
Total non-U.S.	40.9	37.6	40.0	39.3	38.5
USA 1/	31.8	31.1	28.0	33.7	6/36.5
World total	72.7	68.7	68.0	73.0	75.0
(World total excluding intra EC-9)	(67.4)	(62.2)	(64.3)	(68.4)	(70.4)
Imports:					
W. Europe	13.5	12.9	10.6	11.6	11.8
(Excluding intra EC-9)	(8.2)	(6.4)	(6.9)	(7.0)	(7.2)
USSR	14.9	4.4	2.4	12.0	14.0
Japan	5.5	5.4	5.4	5.7	5.7
E. Europe	4.7	5.3	4.6	4.5	4.3
China, People's Rep. of	5.3	5.6	5.7	3.0	3.0
All Others	28.8	35.1	39.3	36.2	36.2
World total	72.7	68.7	68.0	73.0	75.0
(World total excluding intra EC-9)	(67.4)	(62.2)	(64.3)	(68.4)	(70.4)
Production: 3/					
Canada	14.5	16.5	13.3	17.0	17.0
Australia	6.4	11.9	11.2	11.0	11.0
Argentina	6.9	6.6	5.7	7.7	7.7
W. Europe	51.4	50.8	56.5	49.0	49.1
USSR	86.0	109.8	83.8	85.0	75.0
E. Europe	30.7	31.5	34.1	29.5	29.5
India	26.4	24.7	22.1	25.8	25.8
All other foreign	75.6	70.2	74.8	75.9	75.2
Total foreign	297.9	322.0	301.5	300.9	290.3
USA	42.0	46.4	48.8	58.1	58.2
World total	339.9	368.4	350.3	359.0	348.5
Consumption: 4/					
USA	21.4	20.5	18.6	19.3	6/19.4
USSR 5/	99.6	100.2	89.2	95.5	89.0
All other foreign	240.8	242.5	244.4	246.2	246.1
World total	361.8	363.2	352.2	361.0	354.5
Stocks, ending: 6/					
World total	51.5	56.7	54.8	52.4	48.8

1/ Includes transhipments through Canadian ports, excludes products other than flour.

2/ U.S. production, trade, and consumption projections for 1975/76 are mid-points of the official range estimates.

3/ Production data includes all harvests occurring within the July-June year shown, except that small grain crops from the early-harvesting Northern Hemisphere areas are "moved forward"; i.e.; the May 1975 harvests in areas such as India, North Africa, and southern USA are actually included in "1975/76" accounting period which begins July 1, 1975.

4/ Consumption data are based on an aggregate of differing local marketing years. For countries for which stocks data are not available, consumption estimates represent "apparent" consumption, i.e., they are inclusive of annual stock level adjustments.

5/ Includes estimated waste due to excess moisture and foreign material.

6/ Stocks data are based on an aggregate of differing local marketing years and should not be construed as representing world stock levels at a fixed point in time. Stocks data are only for selected countries and exclude such important countries as the USSR, the People's Republic of China, and part of Eastern Europe for which stocks data are not available; the aggregate stocks level have, however, been adjusted for estimated year-to-year changes in USSR grain stocks.

Table 18 .--Wheat: World wheat supply and distribution, marketing years 1965-75 1/

Year	Area Harvested	Yield	Beginning Stocks 2/	Production	Total Exports	Consumption Total 3/
	Million Ha.	Qu./Ha.	- - - - Million metric tons - - - -			
1965/66	216.8	12.3	72.1	265.8	61.6	284.6
1966/67	214.8	14.3	53.3	307.5	58.0	282.7
1967/68	219.4	13.5	78.1	295.8	53.2	292.0
1968/69	224.7	14.6	81.9	328.4	50.0	303.2
1969/70	217.7	14.2	107.1	309.5	55.5	322.8
1970/71	206.0	15.2	93.8	313.8	56.3	335.3
1971/72	211.6	16.4	72.3	346.2	57.8	345.1
1972/73	209.0	16.3	73.4	339.9	72.2	361.8
1973/74	216.7	17.0	51.5	368.4	70.1	363.2
1974/75 4/	219.7	15.9	56.7	350.3	68.1	352.2
1975/76 5/	223.4	15.6	54.8	348.5	74.7	354.5

1/ Data in this table are based on an aggregate of differing local marketing years, and will therefore differ from July-June data appearing elsewhere in this report.
2/ Stocks data are only for selected countries and exclude such important countries as USSR, the People's Republic of China, and part of Eastern Europe for which stocks data are not available; the aggregate stocks levels have, however, been adjusted for estimated year-to-year changes in USSR grain stocks.
3/ For countries for which stock data are not available, or for which no adjustments have been made for year-to-year changes, consumption estimates assume a constant stock level.
4/ Preliminary.
5/ Projected.

Source: Foreign Agricultural Service

Table 19.--Wheat: World wheat and flour trade (grain equivalent), year beginning July, 1966-75 1/

Region and country	1966	1967	1968	1969	1970	1971	1972	1973	1974 Prel.	Proj. 1975
	- - - - Million metric tons - - - -									
Exports										
Canada	14.8	8.9	8.7	9.0	12.6	15.8	15.6	11.7	11.1	13.0
Australia	6.9	7.0	5.4	7.4	9.5	8.7	5.6	5.3	8.2	8.7
Argentina	3.1	1.4	2.7	2.1	1.6	1.3	3.4	1.1	2.2	2.8
Sub-total	24.8	17.3	16.8	18.5	23.7	25.8	24.6	18.1	21.5	24.5
West Europe	5.8	7.7	9.3	11.1	6.5	8.7	12.2	12.4	13.0	12.5
East Europe	1.7	2.3	2.0	1.3	.9	.9	.9	1.4	1.2	.7
USSR	4.4	5.3	5.8	6.4	7.2	5.8	1.3	5.0	4.0	.5
Other	.7	.7	.6	.8	.4	.6	1.9	.7	.3	.3
Total non-U.S.	37.4	33.3	34.5	38.1	38.7	41.8	40.9	37.6	40.0	38.5
United States	20.0	20.2	14.7	16.5	19.8	16.9	31.8	31.1	28.0	36.5
Total	57.4	53.5	49.2	54.6	58.5	58.7	72.7	68.7	68.0	75.0
Imports										
Japan	4.3	4.0	4.2	4.4	4.8	5.0	5.5	5.4	5.4	5.7
West Europe	10.9	10.3	12.8	12.7	13.7	12.1	13.5	12.9	10.6	11.8
East Europe	5.4	4.9	4.3	4.7	6.7	5.2	4.7	5.3	4.6	4.3
USSR	3.1	1.5	.2	1.1	.5	3.4	14.9	4.4	2.4	14.0
China, People's Rep. of	5.0	4.2	3.5	5.1	3.7	3.0	5.3	5.6	5.7	3.0
Sub-total	28.7	24.9	25.0	28.0	29.4	28.7	43.9	33.6	28.7	38.8
Africa 2/	6.0	5.6	3.7	3.8	5.2	5.4	5.2	6.9	7.0	7.7
Latin America 3/	4.6	5.1	4.3	3.9	3.9	4.5	6.2	6.2	5.2	5.3
West Asia 4/	2.0	1.7	1.8	2.4	2.8	4.6	2.0	3.3	5.1	3.8
South Asia 5/	9.1	9.3	5.4	5.4	4.4	4.8	5.8	8.1	10.9	9.9
Other Asia 6/	1.4	1.9	2.3	2.8	3.0	3.1	3.0	2.9	2.8	2.8
Others	5.6	5.0	6.7	8.3	9.8	7.6	6.6	7.7	8.3	6.7
Total	57.4	53.5	49.2	54.6	58.5	58.7	72.7	68.7	68.0	75.0

1/ Data include intra-EC-9 trade, but exclude products other than flour in grain equivalent; U.S. data also adjusted for transhipments through Canada.
2/ Algeria, Egypt, Libya, Morocco, Nigeria, South Africa, Sudan, and Tunisia.
3/ Mexico, Brazil, Chile, Colombia, Peru and Venezuela.
4/ Iran, Iraq, Israel, Jordan, Lebanon, Saudi Arabia, Syria and Turkey.
5/ Bangladesh, India, Indonesia, Pakistan, and Sri Lanka.
6/ Philippines, Taiwan, and South Korea.

Source: Foreign Agricultural Service.

Table 20.--Wheat: Rotterdam, c.i.f., quotations for cargoes/parcels in nearest shipment position, by months, 1971-75

Year beginning	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Simple average
	- - - - Dollars per bushel - - - -												
	Canadian No. 1 CWRS - 14 - 1/												
1971	1.94	1.94	1.95	1.96	2.00	2.01	2.01	1.98	1.98	1.99	1.98	1.97	1.98
1972	1.97	1.99	2.54	2.73	2.76	2.87	3.15	3.14	3.12	3.18	3.30	3.90	2.89
1973	4.54	2/5.50	6.20	6.07	5.58	6.04	6.41	6.51	6.74	5.63	5.10	5.32	5.80
1974	5.78	5.75	5.77	6.44	6.43	6.31	5.67	5.41	4.96	5.24	5.08	5.26	5.68
1975	NQ	5.83	6.20	5.97									
	United States No. 2 Hard Winter, 12%												
1971	1.80	1.77	1.76	1.74	1.79	1.76	1.76	1.74	1.75	1.76	1.77	1.76	1.76
1972	1.76	1.78	2.27	2.54	2.53	2.97	2.98	2.67	2.67	2.79	3.09	3.52	2.63
1973	3.97	5.24	5.48	5.27	5.45	6.25	6.26	6.32	6.12	5.00	4.64	3/4.82	5.40
1974	5.19	5.28	5.54	6.25	6.23	5.97	5.30	4.88	4.53	4.54	3.98	4.00	5.14
1975	4.70	5.13	5.30	5.14									
	United States Dark Northern Spring, 15%												
1971	1.97	1.97	1.98	2.00	2.02	2.00	1.98	1.97	1.98	1.97	1.99	1.94	1.98
1972	1.93	1.97	2.33	2.52	2.50	2.87	3.18	2.97	2.80	2.90	3.23	4/3.58	2.73
1973	3.92	5.34	5.46	5.23	5.41	6.29	6.42	6.29	6.08	5.06	4.79	5.26	5.47
1974	5.68	5.53	5.63	6.34	6.36	6.20	5.55	5.24	4.80	4.84	4.58	4.51	5.44
1975	4.87	5.28	5.55	5.28									

1/ Prior to September 1971 Canada No. 2 Manitoba.
2/ Effective August 1973 - Canadian Western Spring Wheat (CWRS)--No. 1--13.5 protein.
3/ Effective June 1974, 13.5 percent.
4/ Effective June 1973, 14 percent.
NQ - Not quoted.

Compiled from Weekly Foreign Agriculture Magazine.

TABLE 21 --RYE: MARKETING YEAR SUPPLY, DISAPPEARANCE, ACREAGE AND PRICES, 1966-70 AVERAGE AND ANNUAL 1970-75

YEAR BEGINNING JULY 1	SUPPLY				DISAPPEARANCE								ENDING STOCKS JUNE 30	
					DOMESTIC USE									
	BEGINNING STOCKS	PRODUCTION	IMPORTS	TOTAL	FOOD	SEED	INDUSTRY	FEED 1/	TOTAL	EXPORTS	TOTAL DISAPPEARANCE	PRIVATELY HELD	GOVT. 2/	TOTAL
	1,000 BUSHELS													
1966-70 (AVG.)	18,556	28,351	950	47,857	5,441	5,849	4,361	9,353	25,004	2,523	27,527	6,118	14,212	20,330
1970/71	21,130	36,840	693	58,663	5,417	6,873	3,435	11,440	27,165	3,622	30,787	2,726	25,150	27,876
1971/72	27,876	49,288	241	77,405	5,211	5,262	3,066	16,481	30,020	1,751	31,771	3,804	41,830	45,634
1972/73	45,634	29,183	154	74,971	5,217	5,321	3,159	18,287	31,984	9,717	41,701	13,879	19,391	33,270
1973/74	33,270	26,263	1	59,534	6,211	4,902	2,359	8,263	21,735	26,840	48,575	8,254	2,705	10,959
1974/75 3/	10,959	19,293	277	30,529	5,372	4,500	1,362	9,494	20,728	3,956	24,684	5,816	29	5,845
1975/76 4/	5,845	18,551	231	24,627	5,500	5,300	1,300	4,777	16,877	3,000	19,877	---	---	4,750

	ACREAGE		YIELD PER HARVESTED ACRE	SEASONAL PRICES		NATIONAL AVG. LOAN RATE
	PLANTED	HARVESTED		RECEIVED BY FARMERS	MINNEAPOLIS, NO. 2	
	--- 1,000 BUSHELS ---		BUSHELS	------ DOLLARS PER BUSHEL ------		
1966-70 (AVG.)	3,844	1,211	23.4	1.03	1.16	1.02
1970/71	4,196	1,427	25.8	.99	1.13	1.02
1971/72	4,847	1,754	28.1	.90	.99	.89
1972/73	3,540	1,084	26.9	.96	1.10	.89
1973/74	3,545	1,033	25.4	1.91	2.41	.89
1974/75 3/	3,200	897	21.5	2.46	3.19	.89
1975/76 3/	3,186	807	23.0	---	---	.89

1/ RESIDUAL; ROUGHLY APPROXIMATES TOTAL FEED USE. 2/ UNDER LOAN TO OR OWNED BY CCC. 3/ PRELIMINARY. 4/ FORECAST.

TABLE 22 --RYE: MARKETING YEAR SUPPLY AND DISAPPEARANCE, QUARTERLY, 1966-70 AVERAGE AND ANNUAL 1971-75

YEAR AND QUARTERS BEGINNING JULY 1	SUPPLY				DISAPPEARANCE							ENDING STOCKS
					DOMESTIC USE							
	BEGINNING STOCKS	PRO-DUCTION	IMPORTS	TOTAL	FOOD	SEED	INDUSTRY	FEED 1/	TOTAL	EXPORTS	TOTAL DISAPPEAR-ANCE	
	1,000 BUSHELS											
1966-70 (AVG.)												
JULY-SEPT.	18,556	28,351	202	47,109	1,412	2,691	850	3,904	8,857	610	9,467	37,642
OCT.-DEC.	37,642	---	349	37,991	1,423	2,691	1,167	2,302	7,583	333	7,916	30,075
JAN.-MAR.	30,075	---	85	30,160	1,388	292	1,331	1,570	4,581	369	4,950	25,210
APR.-JUNE	25,210	---	314	25,524	1,218	175	1,013	1,577	3,983	1,211	5,194	20,330
MKT. YEAR	18,556	28,351	950	47,857	5,441	5,849	4,361	9,353	25,004	2,523	27,527	20,330
1971/72												
JULY-SEPT.	27,876	49,288	131	77,295	1,380	2,421	544	6,576	10,921	1,604	12,525	64,770
OCT.-DEC.	64,770	---	110	64,880	1,363	2,420	816	5,518	10,117	143	10,260	54,620
JAN.-MAR.	54,620	---	---	54,620	1,334	263	997	2,690	5,284	4	5,288	49,332
APR.-JUNE	49,332	---	---	49,332	1,134	158	709	1,697	3,698	---	3,698	45,634
MKT. YEAR	27,876	49,288	241	77,405	5,211	5,262	3,066	16,481	30,020	1,751	31,771	45,634
1972/73												
JULY-SEPT.	45,634	29,183	154	74,971	1,178	2,448	353	9,049	13,028	17	13,045	61,926
OCT.-DEC.	61,926	---	---	61,926	1,225	2,447	780	3,328	7,780	174	7,954	53,972
JAN.-MAR.	53,972	---	---	53,972	1,314	266	993	1,460	4,033	1,174	5,207	48,765
APR.-JUNE	48,765	---	---	48,765	1,500	160	1,033	4,450	7,143	8,352	15,495	33,270
MKT. YEAR	45,634	29,183	154	74,971	5,217	5,321	3,159	18,287	31,984	9,717	41,701	33,270
1973/74												
JULY-SEPT.	33,270	26,263	---	59,533	1,537	2,255	449	6,358	10,599	12,116	22,715	36,818
OCT.-DEC.	36,818	---	---	36,818	1,599	2,255	624	996	5,474	9,911	15,385	21,433
JAN.-MAR.	21,433	---	1	21,434	1,654	245	712	785	3,396	142	3,538	17,896
APR.-JUNE	17896	---	2/	17,896	1,421	147	574	124	2,266	4,671	6,937	10,959
MKT. YEAR	33,270	26,263	1	59,534	6,211	4,902	2,359	8,263	21,735	26,840	48,575	10,959
1974/75 3/												
JULY-SEPT.	10,959	19,293	18	30,270	1,426	2,070	218	4,365	8,079	1,731	9,810	20,460
OCT.-DEC.	20,460	---	5	20,465	1,404	2,070	383	2,530	6,387	2,198	8,585	11,880
JAN.-MAR.	11,880	---	---	11,880	1,320	225	349	1,704	3,598	1	3,599	8,281
APR.-JUNE	8,281	---	254	8,535	1,222	135	412	895	2,664	26	2,690	5,845
MKT. YEAR	10,959	19,293	277	30,529	5,372	4,500	1,362	9,494	20,728	3,956	24,684	5,845
1975/76												
JULY-SEPT. 3/	5,845	18,551	231	24,627	1,072	2,300	250	4,335	7,957	665	8,622	16,005
OCT.-DEC.												
JAN.-MAR.												
APR.-JUNE												
MKT. YEAR 4/	5,845	18,551	231	24,627	5,500	5,300	1,300	4,777	16,877	3,000	19,877	4,750

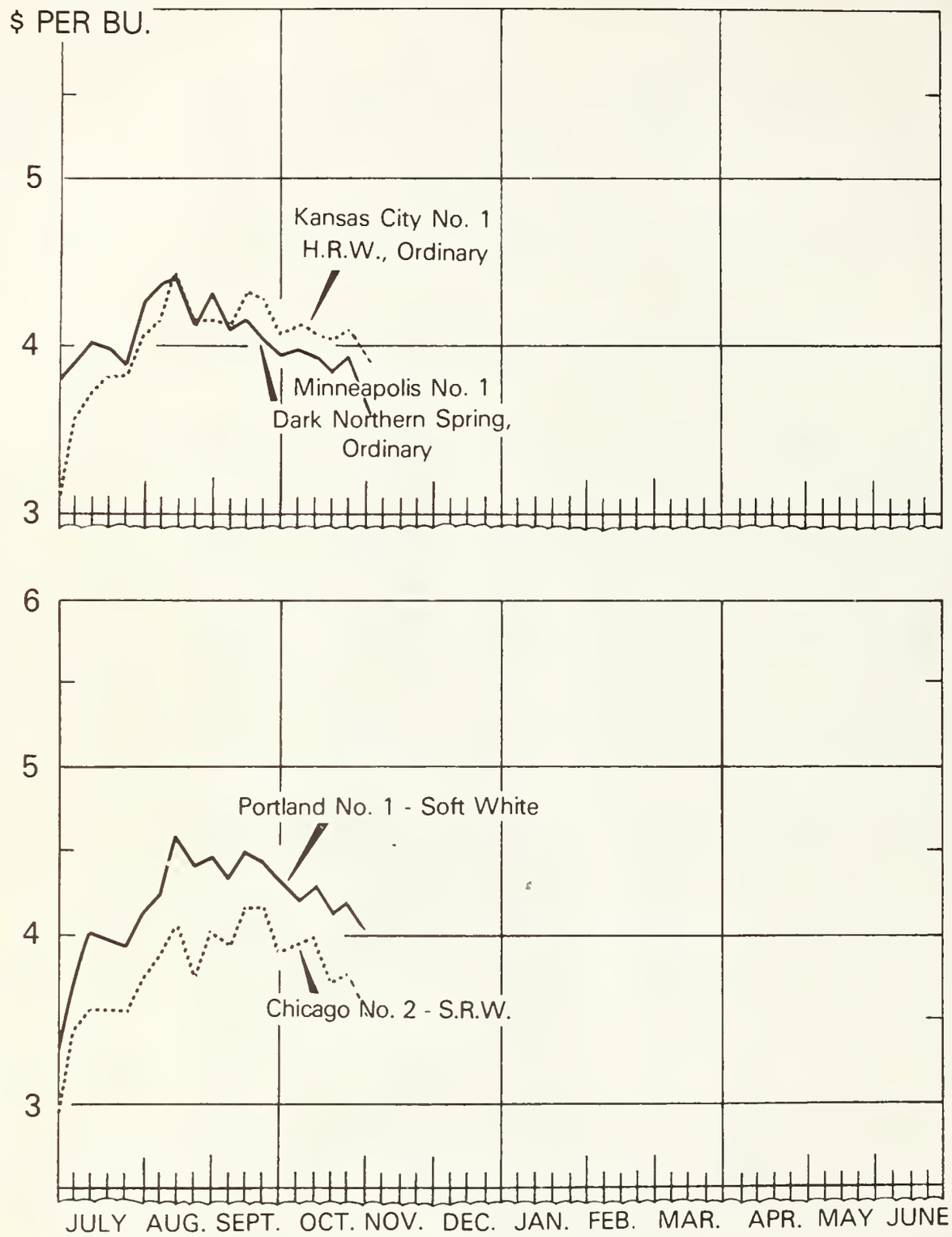
1/ RESIDUAL ITEM; ROUGHLY APPROXIMATES TOTAL FEED USE. 2/ LESS THAN 1,000 BUSHELS. 3/ PRELIMINARY. 4/ FORECAST.

Table 23 .--Rye: Farm and cash prices, by selected States and markets, 1974-75

Item	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Season average 1/
	- - - - Dollars per bushel - - - -												
Colorado													
1974/75	1.97	2.42	2.58	2.60	2.69	2.65	2.51	2.57	2.15	2.15	2.15	1.99	2.40
1975/76	2.20	2.37	2.35	2.55									
Georgia													
1974/75	2.60	2.70	2.65	2.70	2.70	2.75	2.70	2.60	2.60	2.55	2.50	2.45	2.60
1975/76	2.45	2.50	2.50	2.50									
Kansas													
1974/75	1.80	2.14	2.30	2.28	2.26	2.18	2.05	2.04	2.06	2.04	2.08	2.10	2.05
1975/76	2.10	2.10	2.10	2.20									
Minnesota													
1974/75	2.53	2.58	2.66	2.69	2.79	2.71	2.53	2.52	2.11	2.32	2.17	2.03	2.50
1975/76	2.15	2.52	2.60	2.57									
Nebraska													
1974/75	1.95	2.28	2.53	2.62	2.64	2.35	2.28	2.06	2.06	2.12	2.10	1.98	2.20
1975/76	2.08	2.20	2.37	2.30									
North Dakota													
1974/75	2.50	2.61	2.64	2.70	2.78	2.66	2.46	2.42	2.06	2.28	2.09	2.00	2.40
1975/76	2.12	2.39	2.56	2.48									
South Dakota													
1974/75	2.45	2.50	2.60	2.63	2.70	2.64	2.48	2.38	2.12	2.34	2.17	1.99	2.40
1975/76	2.14	2.50	2.58	2.56									
U.S. average farm													
1974/75	2.37	2.54	2.66	2.70	2.78	2.66	2.50	2.41	2.15	2.32	2.15	2.19	2.46
1975/76	2.26	2.44	2.54	2.52									
Minneapolis No. 2													
1974/75	2.97	2.89	3.07	3.25	3.19	3.05	2.93	2.80	2.56	2.72	2.70	2.49	2.88
1975/76	2.58	3.04	3.03	3.01									
Winnipeg No. 3 Canadian Western													
1974/75	3.04	2.83	2.90	3.34	3.11	2.91	2.72	2.40	2.10	2.13	2.07	2.08	2.64
1975/76	2.28	2.94	3.02										

1/ Includes allowance for loans outstanding and purchases by the Government valued at the average loan and purchase rate. Simple average for Minneapolis No. 2 and Winnipeg No. 3.

CASH WHEAT PRICES, 1975/76*



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WS-234 NOVEMBER 1975

Weights, Measures and Conversion Factors

Bushel weights:
- Wheat & soybeans = 60 lbs.
- Corn, sorghum & rye = 56 lbs.
- Barley (grain) = 48 lbs.: malt = 34 lbs.
- Oats = 32 lbs.

Bushels to metric tons:
- Wheat & soybeans = bushels x .027216
- Barley = bushels x .021772
- Corn, soughum, rye = bushels x .025400
- Oats = bushels x .014515

1 Metric ton equals:
- 2204.622 lbs.
- 22.046 hundredweight
- 10 quintals
- 1,000 kilograms
- 36.7437 bushels wheat or soybeans
- 39.3679 bushels corn, soughum, or rye
- 45.9296 bushels barley
- 68.8944 bushels oats

Area:
- 1 Acre = .404694 hectares
- 1 Hectare = 2.4710 acres

Yields:
- Wheat = bushels per acre x 0.6725 = quintals per hectare
- Rye, corn = bushels per acre x 0.6277 = quintals per hectare
- Barley = bushels per acre x 0.5380 = quintals per hectare
- Oats = bushels per acre x 0.3587 = quintals per hectare